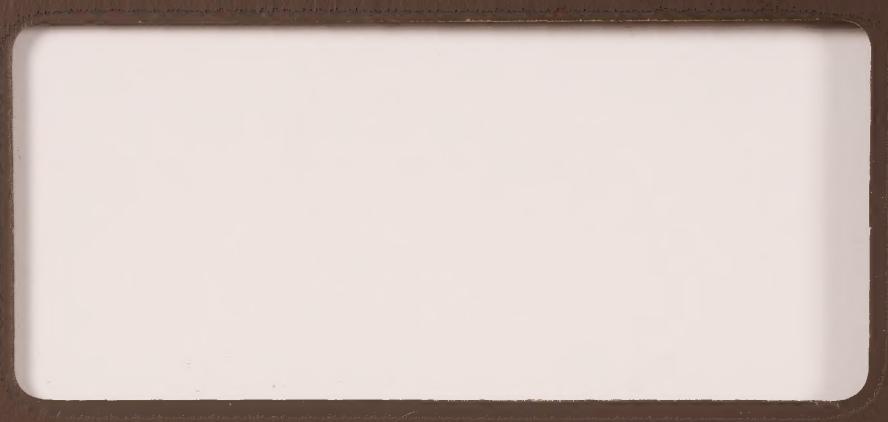


MARKET VALUE APPRAISAL
OF
ALAMO PLAZA CONDOMINIUM PROJECT
AT FULTON AND McALLISTER STREETS
SAN FRANCISCO, CALIFORNIA

REDC



MARKET VALUE APPRAISAL
OF
ALAMO PLAZA CONDOMINIUM PROJECT
AT FULTON AND McALLISTER STREETS
SAN FRANCISCO, CALIFORNIA

prepared for

THE SPRINCIN COMPANY, INC.
50 CALIFORNIA STREET
SAN FRANCISCO, CALIFORNIA 94111
ATTN. MR. CHARLES SPRINCIN

REDC

JANUARY 26, 1990

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REIDC

REAL ESTATE DECISIONS COMPANY

200 California St., 6th Floor San Francisco, CA 94111 (415) 986-3100 San Jose (408) 434-1144

February 14, 1990

**MR. CHARLES SPRINCIN
THE SPRINCIN COMPANY, INC.
50 California Street
San Francisco, CA 94111**

Dear Mr. Sprincin:

In accordance with your request, we have made an appraisal of the proposed condominium development designated as Alamo Plaza to be located on Fulton and McAllister Streets in San Francisco, California.

The purpose of this appraisal is to express an opinion of the Gross Retail Value of the residential units and the probable development costs of the project based upon preliminary plans. In addition, we have provided an estimate of the probable absorption time anticipated based upon our concluded pricing structure and an analysis of the discounted value of anticipated cash flows upon completion. Included within this valuation we have also estimated the "as is" land value based upon the development requirements of the San Francisco Redevelopment Agency. It is our understanding this report will be used in securing construction financing for the project.

As used in this report, the term "Retail Value" is defined as the sum of the estimated gross selling prices which the individual condominium units might be expected to bring if exposed for sale in the current market based upon typical financing terms.

The term "Fair Market Value" is defined as the most probable price in cash, terms equivalent to cash, or in other precisely revealed terms, for which a property will sell in a competitive market under all conditions requisite to fair sale, with the buyer and seller each acting prudently, knowledgeably, and for self-interest, and assuming that neither is under undue duress.

The appraised property consists of a 0.95 acre land parcel which is scheduled to be improved with 54 condominium units, a 9,000± square foot senior citizens daycare facility, required parking, open space and landscaped areas. The net saleable area totals 75,466 square feet excluding the senior citizens daycare facility.

The subject property was personally inspected on January 20, 1990, and the following factors were considered in forming our opinion of value:

Location, size and utility of the land.

Size and utility of the proposed improvements compared with existing and proposed facilities.

Sales and listings of condominiums in the San Francisco market area.

Typical development costs for improvements such as the subject and specific development fees and on off site costs required for the proposed development.

Highest and best use of the land.

Our report consists of this letter of transmittal summarizing the results of our investigation a summary of underlying assumptions and certificate of appraisers, a narrative report containing a

description of the area, neighborhood and property, an outline of the evaluation procedures with conclusions of value and explanatory exhibits including:

Exhibit A - Certificates of Appraisers
Exhibit B - Qualifications of Appraisers
Exhibit C - Limiting Conditions and General Underlying Assumptions
Exhibit D - Senior Citizens Daycare Facility Sales Agreement
Exhibit E - Land Sales Adjustment Grid
Exhibit F - Developer's Construction Cost Estimate
Exhibit G - Profit Limitation Agreement

In our opinion, the Gross Retail Value of the Alamo Plaza condominiums as of January 20, 1990, assuming all units are completed and ready for occupancy, is:

**FIFTEEN MILLION SIX HUNDRED AND SIXTY-THREE THOUSAND DOLLARS
(\$15,663,000)**

Our estimate of development costs, excluding developer's profit, totals \$12,355,000 resulting in an imputed developer's gross profit of 26.8%.

Our discount analysis indicates a projected present value (12 months in the future) of \$15,124,000 for the entire project. This discount analysis is consistent with our understanding of the regulations pertaining to State Chartered Savings and Loan Associations.

This report has been made in conformity with and is subject to the requirements of the Standards of Professional Conduct and the Code of Ethics of the American Institute of Real Estate Appraisers.

None of this report may be disseminated to the public through advertising, public relations, prospectus, news, or any other means of communication without prior written consent and approval.

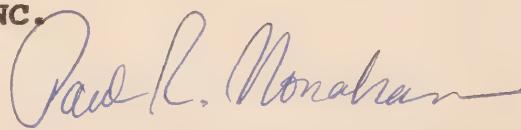
We have not investigated the title to or any liabilities against the property appraised.

Respectfully submitted,

REAL ESTATE DECISIONS COMPANY, INC.



Alex D. Francois, M.A.I.



Paul R. Monahan, Senior Analyst

Investigation and Report by A. D. Francois and P. R. Monahan

Contract No. F89168

File: 105/211

Loc.: SF6B-3

F89168.DOC

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SUMMARY OF PERTINENT FACTS AND CONCLUSIONS

Applicant: The Sprincin Company, Inc.

Appraised Property: Alamo Plaza Phases I and II

Location: Fulton and McAllister Streets, between Fillmore and Steiner Streets in San Francisco, California

Appraisal Date: January 20, 1990

Appraisal Purpose: Retail Value "As If" complete and free of outstanding bonds and assessments. Development costs based upon preliminary plans. Land value based on current market conditions but subject to the development requirements of the San Francisco Redevelopment Agency.

Property Rights Appraised: Fee Simple Interest

Assumptions:

1. Our valuation assumes the property to be free and clear of outstanding assessments and bonds.
2. Description of the land and building areas relies on accuracy of architect's plans and developer's representations and statements, which are assumed to be correct.
3. Acceptable soil report - our valuation assumes no adverse soil conditions.
4. Completion according to preliminary plans and specifications.
5. Our valuation assumes simultaneous construction of Phases I and II.
6. Our valuation assumes typical homeowners' association budget for subject units.

Contingencies:

1. Review of a final site survey.

2. Review of final plans and specifications.
3. Review of soil report.
4. Review of homeowners' association budget.

Property Description:

Land Area: 41,426 sq. ft. or 0.95 acre.

Zoning: RH, High-density residential development by the San Francisco Redevelopment Agency.

Condition as of 1/20/90: Vacant land with a small paved area. Balance of area is sloping terrain with natural vegetation landscaping.

Improvements: 54 proposed condominium units, a 9,000 sq. ft. senior citizens daycare facility, required parking, open space and landscaped areas.

Unit Mix:

<u>Number of Units</u>	<u>Plan</u>	<u>Type</u>	<u>Size Sq.Ft.</u>
4	A	2BR/2BA	1,519
6	B.1	2BR/2BA	1,426
2	B.2	2BR/2BA	1,312
6	C	2BR/2BA	1,300
3	D	2BR/2BA	1,386
13	E	2BR/2BA	1,309
10	F	2BR/2BA + Den	1,578
4	G	2BR/2BA	1,356
3	H	3BR/2BA	1,805
3	I	1BR/1BA	872

Average Size/
Unit: 1,398 square feet

Total Net
Saleable Area: 75,466 square feet (excluding senior citizens daycare facility)

Density: 56.48 units/acre

Construction: Wood frame

Assessor's Parcel Numbers: 779-24, 25, 26, 27, 28, 11, 12, 12A, 13, 13A

Assessed Value & Taxes: All parcels are owned by the San Francisco Redevelopment Agency and, consequently, are a non-taxable entity. Therefore, no parcels have assessed values and no taxes are levied upon them.

Highest and Best Use: Multi-family residential

VALUATION:

Gross Retail Value ("As if" completed and available for occupancy as of January 20, 1990):	\$15,663,000
Average Price Per Unit:	\$290,056
Average Price Per Sq. Ft.:	\$207.44
Absorption:	Total construction time and marketing has been estimated at 24 months for entire project, assuming 6 presale units.
Sales Rate:	8 units per month average over marketing time.
Land Value:	\$2,700,000 (FMV excluding Redevelopment Requirements)
Index:	\$50,000 per unit
Development Cost (before developer's profit):	\$13,440,000 (Land valued at current market excluding redevelopment Requirements)
	\$12,355,000 (Land at developer's cost and subject to Redevelopment Agreement)
Developer's Gross Profit Margin:	26.8 percent
Discount Analysis: (18 months in future)	\$15,124,000

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NARRATIVE

REPORT

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INTRODUCTION

The investigation and appraisal of the proposed Alamo Plaza condominium development to be located in San Francisco, California, was made for the purpose of expressing an opinion of the Gross Retail Value and development cost of the property as of January 20, 1990, "as if" completed consistent with plans and specifications. In addition, we have provided an estimate of the probable absorption time anticipated based upon our concluded pricing structure and an analysis of the discounted value of anticipated cash flows upon physical completion. Included within this valuation is an estimate of the land value based upon the development requirements of the San Francisco Redevelopment Agency.

In the accompanying letter of transmittal, which is an integral part of this report, the term "Retail Value" and "Fair Market Value" has been defined, the property has been identified, and the property included, interest appraised, and the underlying premise of value has been outlined.

Function of the Report

The function of this report is to analyze security for construction loan purposes.

Interest Appraised

The property appraised consists of the Fee Simple Interest in the real estate. We have appraised only the real estate, which includes the land, land improvements, and proposed buildings.

Appraisal Problem

Considering the purpose and function of this report, the appraisal problem is as follows:

- A. To determine the size, condition, quality and utility of the improvements based on plans and a physical inspection of the site.
- B. To estimate the Fair Market Value of the land as if vacant and available for development.
- C. To estimate the cost of the project before developer's profit based upon preliminary plans.
- D. To analyze the subject property as condominiums based on the Market Data Approach in order to determine an estimate of the Gross Retail Value of the property as if completed consistent with plans.
- E. To estimate a probable absorption for the unsold units based on historic trends and unit appeal, given our suggested retail pricing.
- F. To evaluate the feasibility of the project based upon the variance between the Gross Retail Value and the cost to develop before developer's profit.
- G. To perform an analysis of the discounted value of the cash flows upon physical completion of the project.

Assumptions and Contingencies

Our valuation is based on the following assumptions and contingencies.

Assumptions:

1. Our valuation assumes the property to be free and clear of outstanding assessments and bonds.
2. Description of the land and building areas relies on accuracy of architect's plans and developer's representations and statements, which are assumed to be correct.
3. Acceptable soil report - our valuation assumes no adverse soil conditions.
4. Completion according to preliminary plans and specifications.
5. Our valuation assumes simultaneous construction of Phases I and II.
6. Our valuation assumes a typical homeowners' association budget for subject's units.

Contingencies:

1. Review of a final site survey.
2. Review of final plans and specifications.
3. Review of soil report.
4. Review of homeowners' association budget.

Definition of Retail Value and Developer's Cost

Retail Value is defined as the gross proceeds estimated from the sale of all condominium units. The Retail Value has been estimated based on an analysis of comparable residential sales as of January, 1990.

The developer's cost estimates include the total cost of the project including direct and indirect costs, including taxes on unsold units, sales expense, and interest on outstanding loans during the sales and development projection period.

The gap between the Retail Value and the development cost expressed as the gross profit margin reflects the feasibility of the project.

Discounted Cash Flow Analysis

The discounted cash flow analysis provides an index of the loan amount relative to the discounting for time of the cash flows assuming completion of all phases of the project.

Cash flows reflect a deduction for all items of expense including marketing and sales, general and administrative, real estate taxes, common area and homeowners' dues. In addition, developer's profit is estimated relative to typical profit ratios experienced by projects of similar risk.

Cash flows are discounted at the developer's cost of capital. The resultant discounted value reflects the minimum Bulk Sale Value for the project before marketing of individual units, upon physical completion of all improvements.

The discount analysis provides an index of the security of the construction loan and does not reflect the Investment Value of the project as of a current date.

Sales History

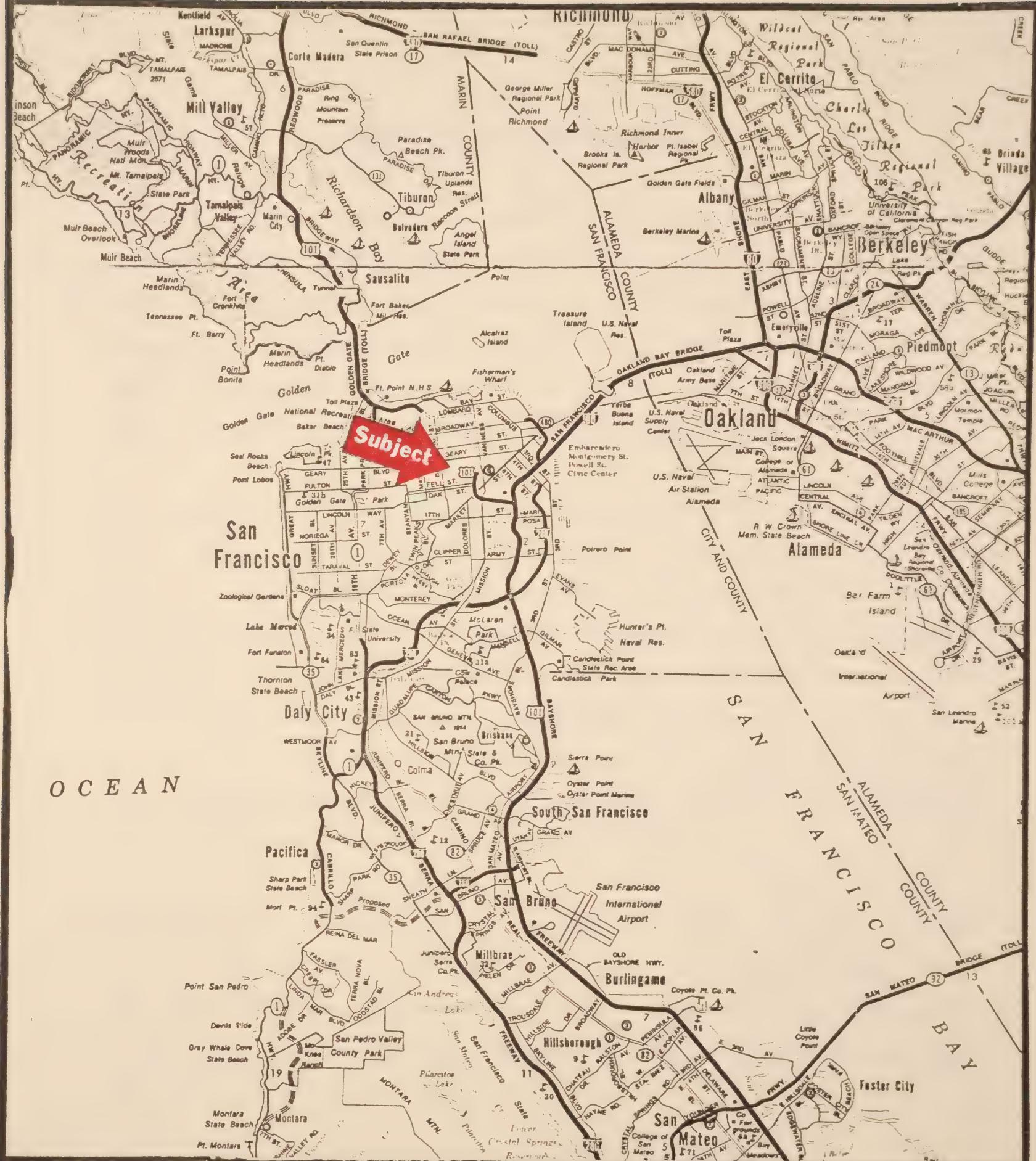
On October 31, 1989, Sprincin Development Partners IX entered into an agreement for purchase and development requirements by

the San Francisco Redevelopment agency in exchange for a below market value land purchase price of \$418,500. The permitted development uses are limited to 54 market rate residential condominium units, a separate condominium unit for a senior citizens daycare facility having a minimum of 9,000 square feet or gross floor area, and required parking, open space and landscaped areas. Subsequent to the construction of the senior citizens daycare facility, Sprincin Development Partners IX is to sell as a separate condominium unit this daycare facility to the Western Addition Senior Citizens Center (WASCC).

We have reviewed this agreement and discovered the price paid to Sprincin Development is in the amount of \$400,000. A copy of this agreement is found as Exhibit D.

Special provisions for the sale profit of the 54 individual condominium units are also involved and call for the developer to pay to the Redevelopment Agency 50% of all profit realized from the sale of such units in excess of 20% of allowed development costs.

We have reviewed this disposition and development agreement between Sprincin Development Partners IX and the Redevelopment Agency. Due to the length of this document we have retained a copy of this agreement in our files.



REGIONAL LOCATION MAP

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LOCATION AND ENVIRONMENT

The City of San Francisco serves as the financial and cultural center of the nine county San Francisco, Bay Area, the fourth largest metropolitan area in the country with a January, 1990 population of approximately 5.95 million. For your convenience a regional location map is provided on the preceding page, and a site location map is provided on the following page.

The population of San Francisco was estimated at 727,400 as of July, 1989, representing a decline of 4,800 persons from the previous year, according to the state's Department of Finance. The population of San Francisco is expected to remain relatively level in years ahead, partly due to physical constraints which limit additional housing development within the city. The population of the Bay Area, however, is projected to increase by an additional 650,000 persons by the year 2000, with an estimated population in excess of 6,600,000 persons by that time.

San Francisco is the center of the Bay Area economy. Over 579,000 people work in San Francisco, roughly divided half between residents and commuters from other cities. Analysts project an increase in the job force of 100,000 persons from 1988 to 2005.

San Francisco benefits from a widely diverse economic base. An estimated 25,480 jobs were added to the city's economy between



SITE LOCATION MAP

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1985 and 1990. Employment growth in the construction, retail trade, services, and government sectors has offset losses in manufacturing and corporate employment which have occurred over the past few years.

The largest employment category is the service sector, which currently accounts for 32.3% of total employment, and reflects the importance of tourism to the economy of San Francisco. The government sector and the finance, insurance and real estate (FIRE) sector are the next largest employment categories, comprising 15.9% and 14.3% of total jobs, respectively. Retail trade represents the fourth largest employment category, accounting for 14.2% of total jobs. The most recent available employment growth trends are outlined in the following table:

**Wage & Salary Employment - San Francisco
(000's)**

	<u>1984</u>	<u>1985</u>	<u>1986</u>	<u>1987</u>	<u>Change</u>
Agricultural	0.4	0.3	0.3	0.3	(33.3%)
Mining/Construction	14.8	16.6	17.6	17.9	20.9%
Manufacturing	43.3	41.8	41.7	42.1	(2.9%)
Transport/Public/ Utilities	49.9	48.1	42.3	40.1	(24.4%)
Wholesale Trade	35.7	35.7	33.8	33.3	(7.2%)
Retail Trade	76.2	79.9	80.1	81.2	6.6%
Finance/Insurance/ Real Estate	83.8	85.2	81.8	81.8	(2.4%)
Services	170.2	173.7	175.3	185.2	8.8%
Government	<u>88.1</u>	89.6	89.7	91.0	3.3%
Total Employment	562.4	570.9	562.6	72.9	1.9%

The state's Employment Development Department has projected that 11,100 new jobs were created in San Francisco during 1988 and

1989, representing a 1.9% increase over 1986 levels. The service sector is expected to provide 12,500 new jobs during the period, with an additional 3,000 wholesale and retail trade jobs being created. These new jobs offset projected declines in all other employment categories in San Francisco. Business services, hotel employment and legal services are projected to be the largest growing categories in the service sector. Below is a list of San Francisco's largest employers:

City and County of San Francisco
University of California, San Francisco
BankAmerica, banking
Wells Fargo, banking
Pacific, Gas & Electric, utility
Pacific Bell, telecommunications
Santa Fe Southern Pacific, transportation
Chevron, petroleum products
First Nationwide Financial, S&L

The unemployment rate in the city of San Francisco in May, 1988 was 4.7%, up from 4.2% the previous month and 4.3% one year ago. This compares with a May, 1988 statewide unemployment rate of 5.8%.

San Francisco has a well educated and highly skilled work force. A high percentage of workers commute to San Francisco from surrounding suburban areas, and a lesser number of city dwellers travel to jobs in other parts of the Bay Area.

San Francisco offers the most prestigious office location in the Bay Area due to its cultural attractions, centralized location, excellent transportation facilities and access to a large, highly

skilled labor force. A majority of office space is concentrated in the city's Financial District, which contains the headquarters of most of the region's major banks, law firms, accounting firms, and insurance companies.

The Bay Area housing market for rental and sales, is by all indications one of the strongest and healthiest in the United States. Moreover, given the substantial decrease in construction activity and perhaps more importantly, the scarcity of affordable and developable land, the market will continue to tighten throughout the next decade, a phenomenon which is particularly evident in the city of San Francisco.

San Francisco rents grew the fastest in the Bay Area. Although housing prices have leveled off, appreciation is still quite healthy and the city has realized one of the highest median home prices in the Bay Area.

San Francisco Housing Overview

Of major concern to the city is the lack of available and affordable housing. The current housing stock is not providing sufficient housing opportunities for people who live and work in the city. The current housing situation is a major catalyst for out-migration of businesses which in turn is responsible for creating a weakened economic base.

A decrease in demolitions is one reason for the decreasing supply of housing units in the city. Emphasis has been placed upon rezoning commercial and industrial land to residential uses as well as focusing on the use of city surplus land and redevelopment land. Between 3,000 and 3,500 units of housing per year should be constructed annually in order to supply the growing city population.

The pattern of residential growth in San Francisco neighborhoods is evidenced by the gradual gentrification of declining neighborhoods, such as the subject, a direct result of a more affordable housing inventory ripe for renovation. Two to four unit residential dwellings are generally purchased as owner occupied units with the intent of immediate or future renovation.

This type of speculative buying is enhanced by the inevitable appreciation that exists within San Francisco neighborhoods, a direct result of the lack of available land on which to build.

If the emerging trend continues, potential purchasers will either buy out of the San Francisco Bay Area or they will actually be living in secondary neighborhoods with the anticipation of gradual gentrification and healthy appreciation. Renovations generally consist of upscale developments attracting those who want to own property in the city but are, those not able to afford residential buildings in already established neighborhoods.

A 42-unit project of new townhomes in Hunters Point was made possible, in part, because the land was reportedly purchased inexpensively. Each three bedroom unit is currently occupied with families earning from \$25,000 to \$50,000 per year. The units were purchased for about \$104,000 and FHA financing was available. This is one example of redeveloping a neighborhood.

High grade residential growth within cities tends to proceed along established lines of travel, including the fastest existing transportation lines, or toward another existing nucleus of building or trading areas. Deluxe apartment areas tend to be established near the business/retail centers in old residential areas. This can be evidenced in the subject Redevelopment Area as discussed further in the Neighborhood Description section of this report.

Overall, the San Francisco housing picture looks bright for those investors willing and able to afford the steep prices and for those who will continue to rent for the converse reason.

Neighborhood Description

The subject is located in the central north area of San Francisco in what is commonly referred to as the "Western Addition" district of the city. The neighborhood is considered to be bounded by Geary Street to the north, Divisadero Street to the west, Haight Street to the south and Gough Street to the east.

The neighborhood is predominantly residential in use and includes the full block park area known as Alamo Square. This park is located one half block west of the subject site and encompasses the entire block bound by Fulton, Scott, Hayes, and Steiner streets. From the western portion of this park, a famous and picturesque view of the San Francisco skyline is provided. Many of San Francisco's most ornate Victorian structures are located in the immediate vicinity of this park. Residential buildings within this neighborhood typically consists of Victorian style structures ranging in size from single family to five units.

Immediate surrounding land uses include the Uptown Church of Christ facility on McAllister and Fillmore streets. Multiple family dwellings surround the subject site on the west, north and south.

Historically, as well as today, this area has contained many heavily depreciated buildings creating an overall impression of depressed values. However, within the last two to three years, redevelopment has played such a major part in the subject's neighborhood that it is being renamed the "New Fillmore" district.

Major development is evident along Fillmore Street, three blocks north of the subject site. The six blocks bounded by Geary Boulevard, Steiner, Webster, and Turk streets is the site of the 60,000 square foot Fillmore Center, a mixed use commercial

development improved with retail, residential, and office uses, as well as cultural and entertainment facilities. Safeway stores was the first private company to develop facilities in this area. This is now the largest Safeway store in San Francisco. To the northeast scattered building developments are evident throughout the neighborhood. Within the greater Western Addition Redevelopment Area there is a total of 5,247 new housing units planned, of which approximately 4,000 have been completed. The Winterland development site at Sutter, Post, Pierce, and Steiner streets is another major mixed-use residential/retail development. Residential renovations are also evident along Webster Street to the east, Hollis Street to the northeast and at Laguna and Ellis Streets. The Redevelopment Agency plans rehabilitation of an additional 3,850 units which include various Victorian structures located throughout the area.

Another major influence in the area is the Japanese Cultural Center to the north along Geary Boulevard and Webster Street. This area is a tourist attraction as well as a major commercial strip for residents. Residential renovations are evident north of Geary primarily between Post and Buchanan streets. The eight-plex, AMC Kabuki movie theater is located at 1881 Post to the north as well as several restaurants and retail shops.

It is becoming increasingly evident, and would appear a logical progression, that the path of development move south toward the subject area. Large areas of substandard structures were

cleared, and about 1,853 new housing units provide housing for a wide variety of income groups. Major redevelopment projects such as the Japan Culture and Trade Center, St. Francis Square and Midtown Park and other development sites along Fillmore to the north, Gough to the east, and Geary to the north, have introduced increased services to local residents.

Residential developments generally follow retail/commercial development and we are, therefore, of the opinion the subject is well located in relation to support facilities necessary to potential residents.

The subject area has excellent transportation access to points throughout the Bay Area. A BART (Bay Area Rapid Transit) station is located six blocks southeast of the subject and several MUNI bus lines serve the subject area within one block. Several public parking lots are nearby, and metered street parking is also available. Access to U.S. Highway 101 is located three blocks east of the subject, with convenient access to Interstates 80 and 280 nearby.

In sum, the quality and condition of the residential properties within the subject district tends to improve overall as one approaches California Street to the north. The Western Addition District is bounded on the north, east, and west by neighborhoods reflecting as much as twice the Western Addition's median family income. However, as the new units along Fillmore Street are

completed, along with the already existing Winterland project at Sutter and Post, this gap is beginning to narrow. The San Francisco Redevelopment Agency continues to play an active role in providing incentives for rehabilitation of existing residences and the construction of new housing within the district where possible.

The subject area as a whole has shown gradual improvement as is evidenced by ongoing renovation projects and the construction of new housing and various public facilities. The initial efforts of the Redevelopment Agency, combined with the generally high demand for affordable housing in San Francisco, has created an environment which is increasingly receptive to unsubsidized private development. The Redevelopment Agency projects at least a 50% mix of market rate housing to be developed within the Western Addition district.

DESCRIPTION OF THE PROPERTY

The subject property consists of an irregularly shaped area proposed to be developed with 54 residential condominium units and a 9,000± square foot separate condominium unit for a senior citizens daycare facility. For your convenience, a plat map and photographs of the property are provided on the following pages.

Site Description

The subject site consists of ten contiguous San Francisco County Assessor's parcels totaling 41,426 square feet fronting on both Fulton and McAllister streets and between Steiner and Fillmore streets in San Francisco. These parcels are identified by the following County Assessor's numbers with their respective dimensions and sizes:

<u>San Francisco County Assessor's Parcel Number</u>	<u>Dimensions</u>	<u>Size</u>
779 - 24	25 x 127.5 =	3,187.50
779 - 25	27.5 x 127.5 =	3,506.25
779 - 26	26.16 x 127.5 =	3,335.40
779 - 27	26.16 x 127.5 =	3,335.40
779 - 28	26.16 x 127.5 =	3,335.40
	10 x 3.6 =	36.00
779 - 11	30 x 137.5 =	4,125.00
779 - 12	37.5 x 57.5 =	2,156.25
	7 x 90 =	630.00
779 - 12A	23 x 90 =	2,070.00
779 - 13	48 x 147.5 =	7,080.00
779 - 13A	58.5 x 147.5 =	<u>8,628.75</u>
 TOTAL		41,425.95 sq.ft.
	Rounded to	41,426 sq.ft.

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Subject

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Plat Map

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[23]



Looking south on the subject site from the level paved area



[24]

Looking south on the subject site from the sloped area



Looking east on the subject site toward the adjacent church



[25]

Looking north at the subject from Fulton Street



Street view of Fulton Street looking east at City Hall

Although most of the individual parcels are rectangular the combined assemblage of all ten parcels forms an irregular shape with 166.50 feet of frontage on Fulton Street and 130.98 feet of frontage on McAllister Street. Depth of the total land area is 275 feet. A small asphalt paved area fronting McAllister Street, previously used for automobile parking is the only level portion of the site. The balance has gentle to moderate upslope topography diagonally running from the paved area up to Fulton Street. Natural vegetation landscaping is evident on all portions of the site (except the paved parking area). Cyclone wire fencing presently provides security for all portions of the site. The site is presently improved with all public utility services and both Fulton and McAllister streets have curbs and sidewalks.

Building Improvement Description

Details regarding the proposed improvements were obtained from plans provided to us and from specifications obtained through discussions with the developer.

The proposed subject development consists of both Phase I and Phase II of a 54 unit residential condominium project along with a separate 9,000+ square foot condominium unit for a senior citizens daycare facility. The combined development will be known as Alamo Plaza. Phase I will consist of the building improvements fronting on McAllister Street and the parking garage for the entire project. Phase I will contain the senior citizens

daycare facility and 26 residential units. Phase II will contain the balance of 28 residential units. The proposed residential unit mix for both phases is as follows:

PHASE I

Type	Plan	# of Units		s.f.	=	Total s.f.
2BR/2BA	B.1	6	x	1,426	=	8,556
2BR/2BA	B.2	2	x	1,312	=	2,624
2BR/2BA	C	6	x	1,300	=	7,800
2BR/2BA	D	3	x	1,386	=	4,158
2BR/2BA	E	6	x	1,309	=	7,854
3BR/2BA	H	<u>3</u>	x	1,805	=	<u>5,415</u>
		<u>26</u>				<u>36,407</u>

PHASE II

Type	Plan	# of Units		s.f.	=	Total s.f.
2BR/2BA	A	4	x	1,519	=	6,076
2BR/2BA	E	7	x	1,309	=	9,163
2BR/2BA+Den	F	10	x	1,578	=	15,780
2BR/2BA	G	4	x	1,356	=	5,424
1BR/1BA	I	<u>3</u>	x	872	=	<u>2,616</u>
		<u>28</u>				<u>39,059</u>

Total Net Sales Area (Phase I & II) 75,466

A summary of project data and unit composition is outlined as follows:

Site Area:	41,425.95 square feet or .95 acre
Buildings:	2 - four story plus basement garage
Phase I:	9,000 ± square foot senior citizens daycare center and 26 residential condominium units
Phase II:	28 residential condominium units
Site Density:	56.84 units per acre

Parking: 60 total garage spaces of which 6 are reserved for senior citizens daycare center and balance of 54 for residential units

Parking Ratio: 1 space per residential unit

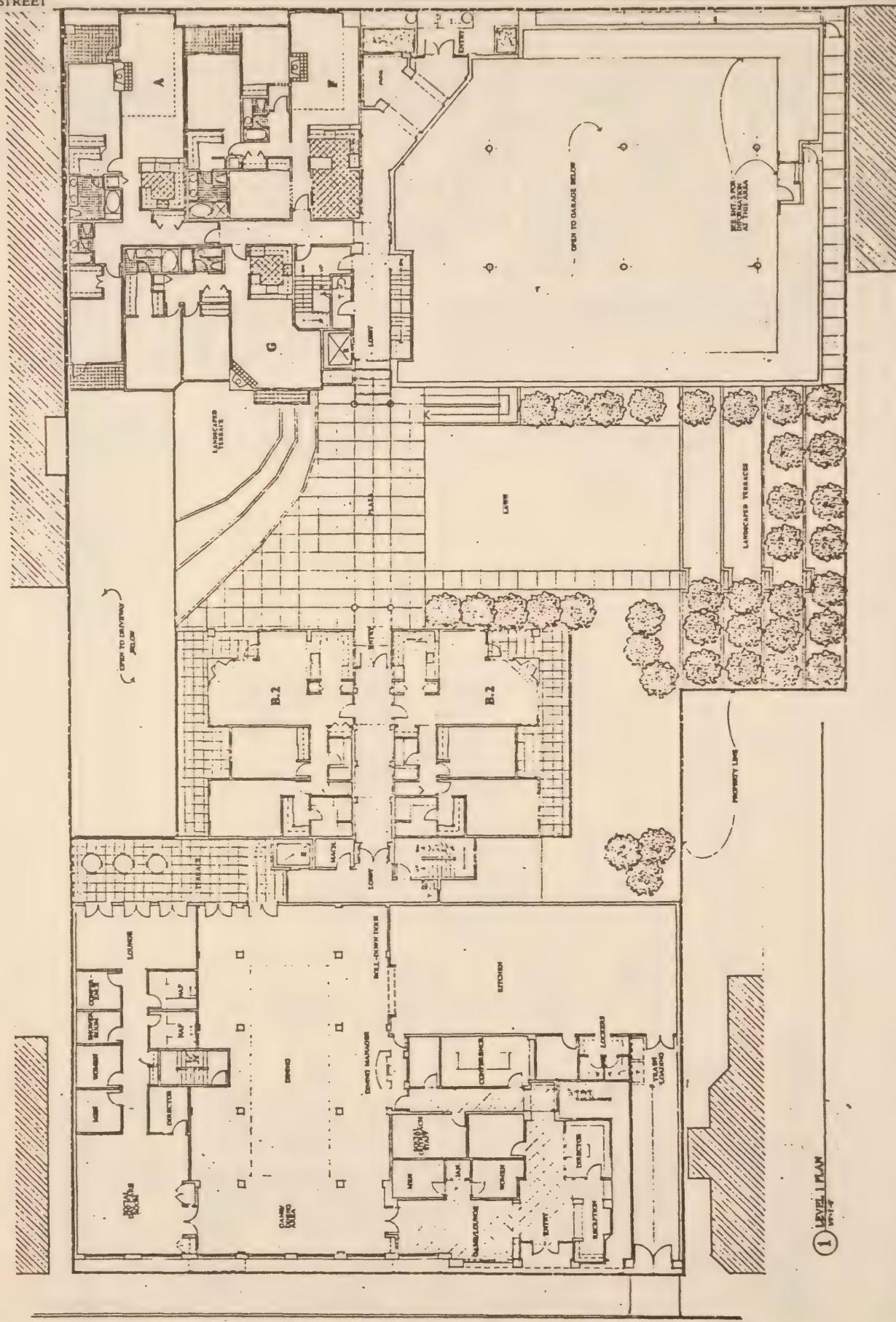
Common Areas: Courtyard with landscaping including a lawn and terraces.

Construction Specifications - General construction will be wood frame buildings with reinforced concrete garage structures. Exterior siding will be a combination of painted stucco fronting Fulton and McAllister streets, and wood siding composite masonite facing the inside courtyard portion of the buildings. Windows will be dual glazed aluminum and all units will have sliding glass doors leading out to a balcony deck enclosed by a metal railing.

For your convenience, exterior elevations, building sections and unit floor plans are provided on the following pages.

Individual unit construction will be of wall to wall carpeting, except in kitchens and bathrooms which will be vinyl flooring. Interior walls will be painted drywall with good quality wood moldings and trim work. Heating systems will be electric base board and as typical in San Francisco, no air conditioning is necessary or installed. All units will have a fireplace and an inside utility room with washer and dryer hook-ups.

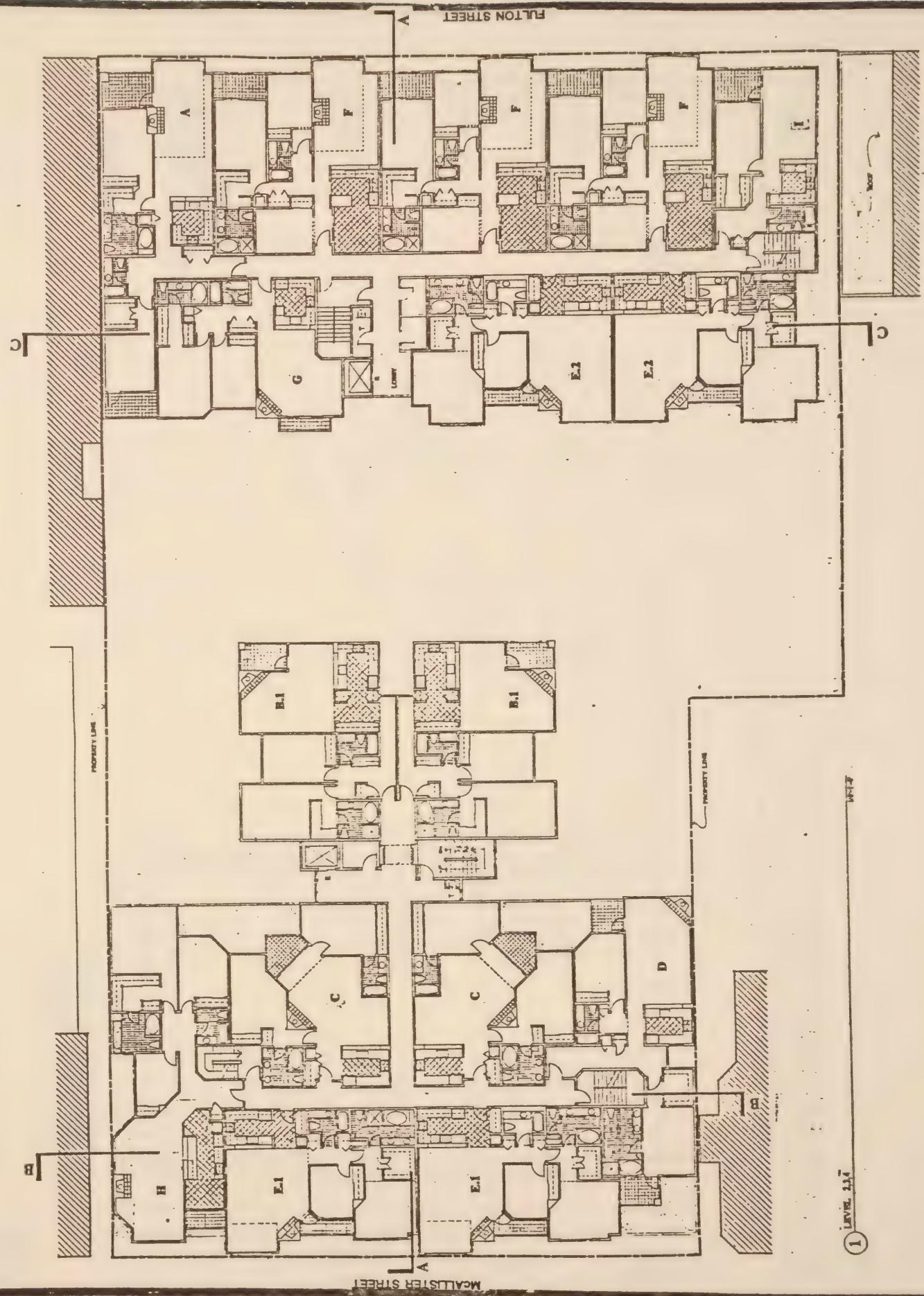
FULTON STREET



SITE PLAN LEVEL 1

REDC

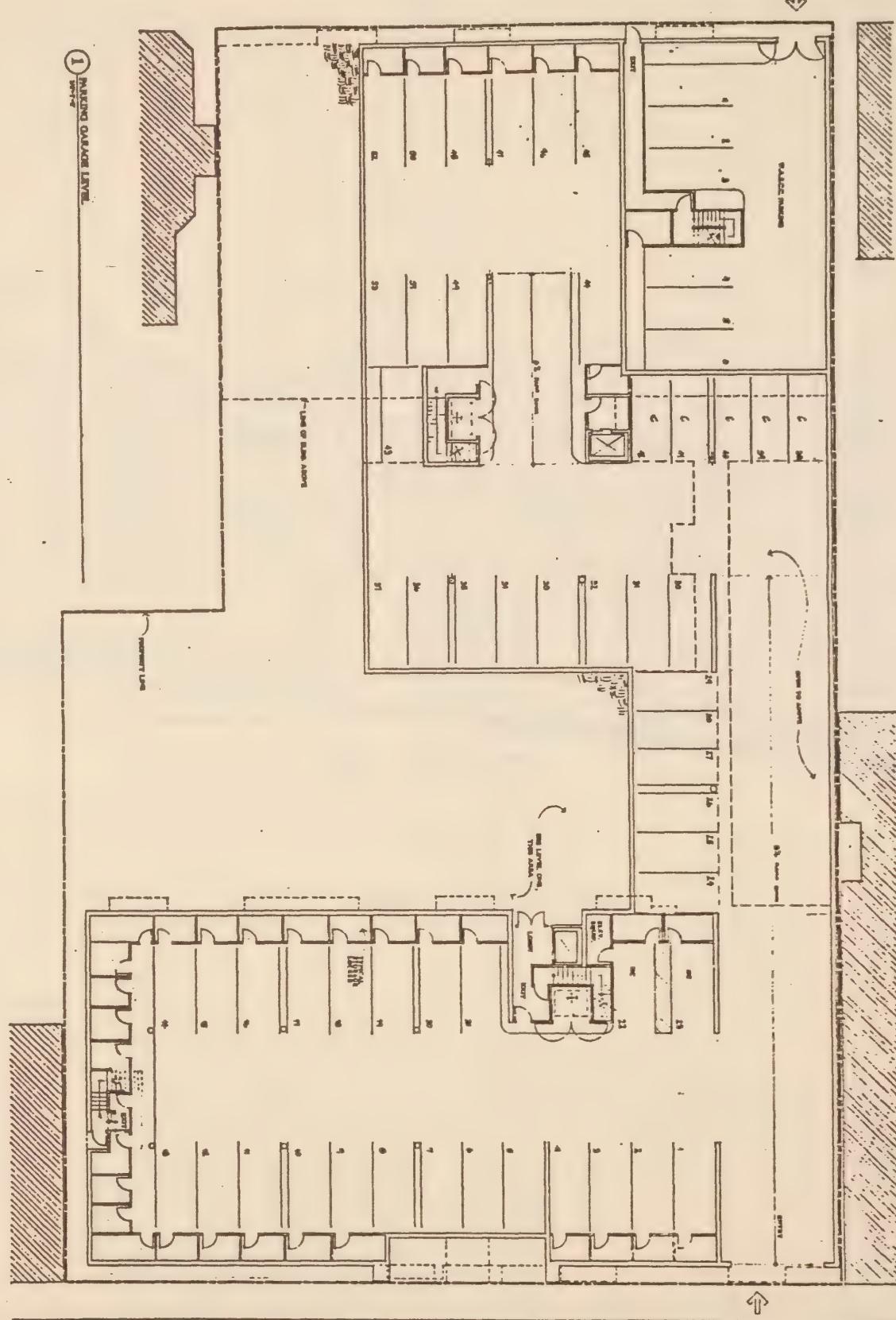
[30]



SITE PLAN LEVELS 2, 3, & 4

REDC

[31]

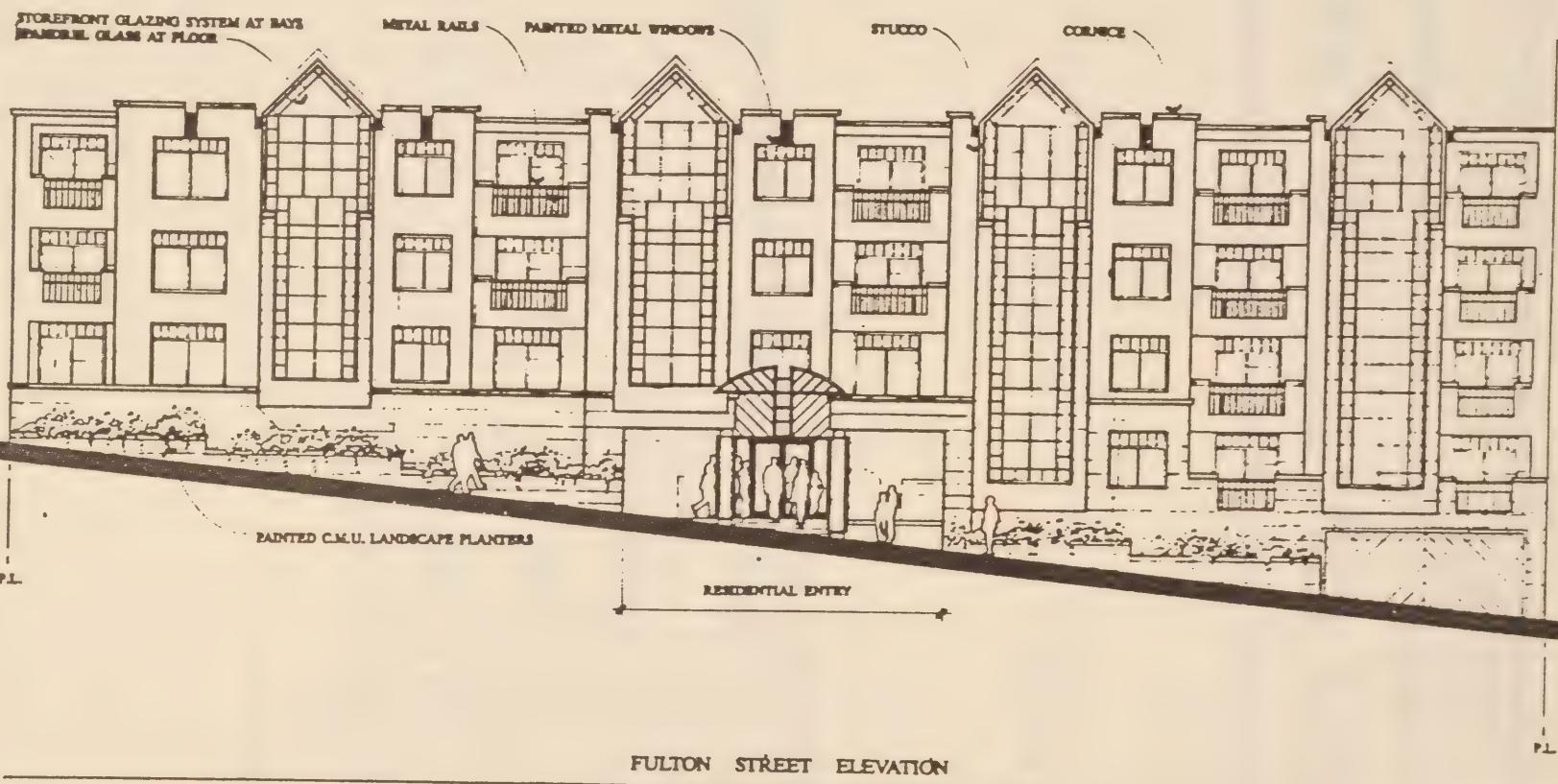


ALAMO PLAZA
SAN FRANCISCO, CALIFORNIA
SPRUCH DEVELOPMENT PARTNERS IX

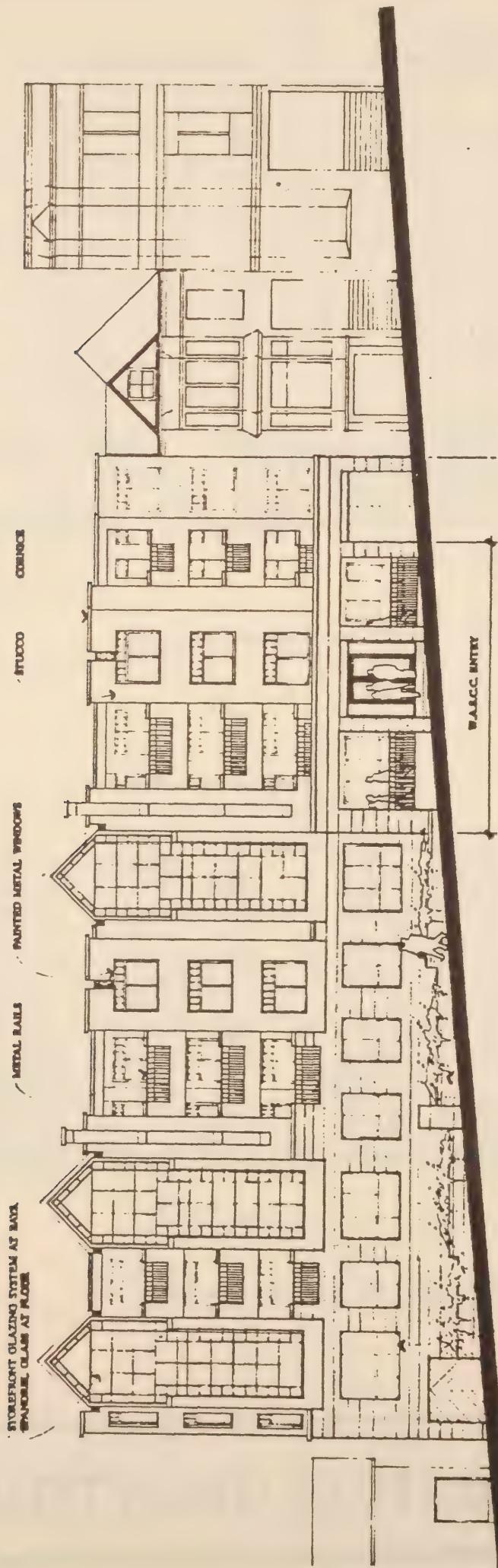
*Lawrence and Parks
Architects and Planners
Gloucester House, Croydon SE1
0181 680 4420 Fax 0181 680 2500*

PARKING GARAGE SITE PLAN

[32]

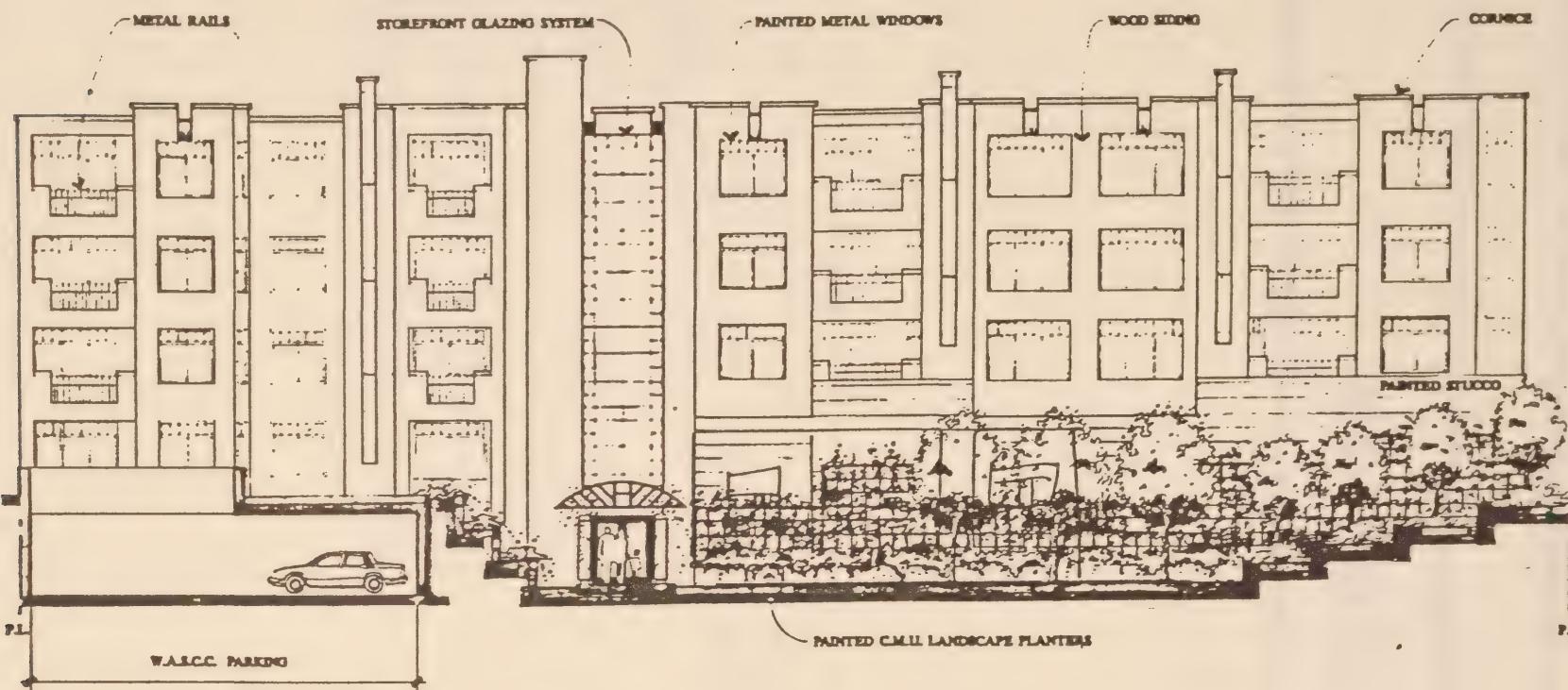


FULTON STREET BUILDING ELEVATION

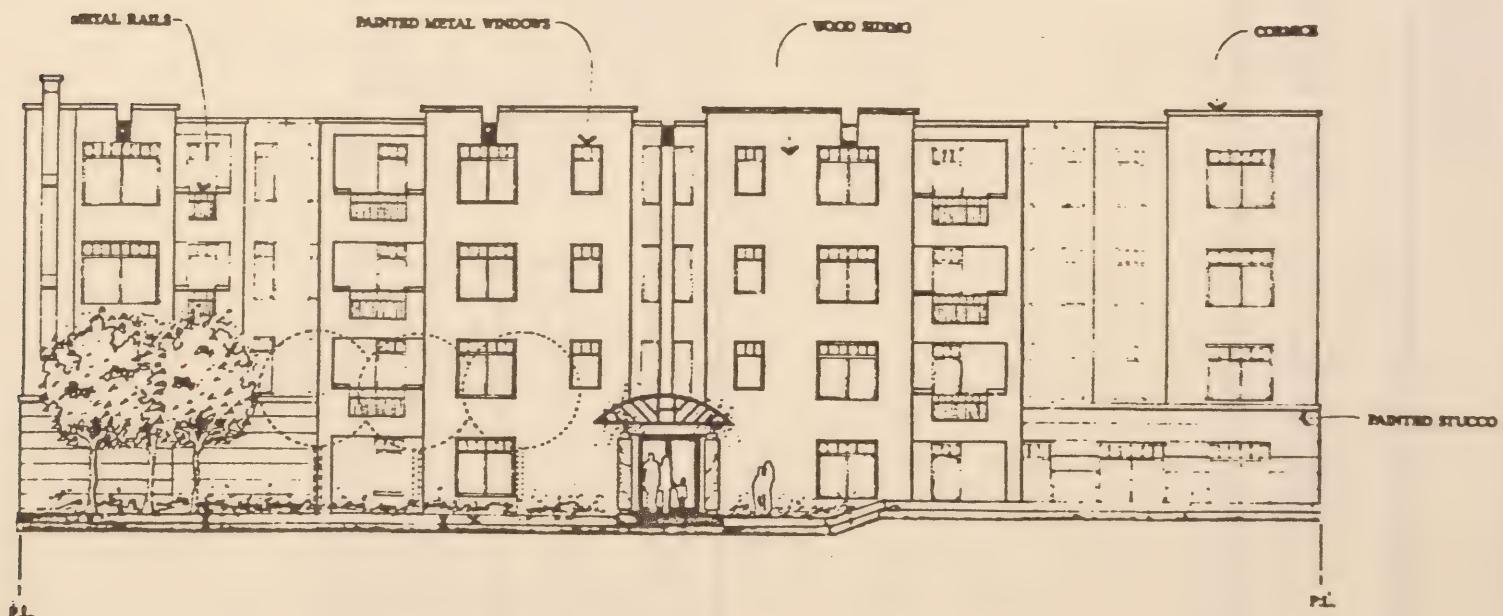


MCALLISTER STREET BUILDING ELEVATION

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COURTYARD ELEVATION OF FULTON STREET BUILDING



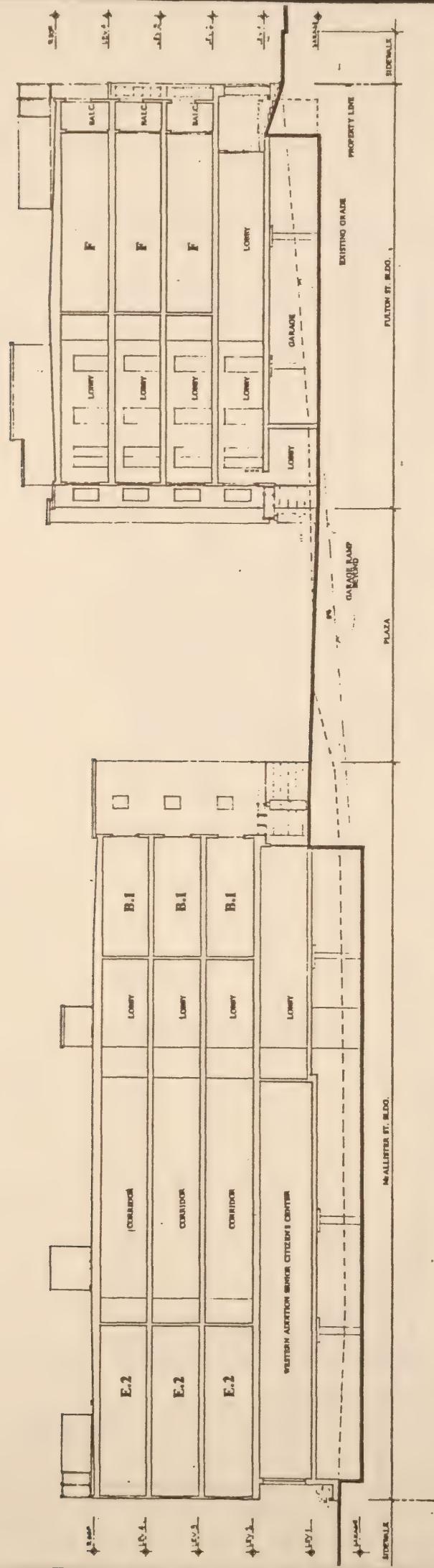
COURTYARD ELEVATION OF McALLISTER STREET BUILDING

COURTYARD BUILDING ELEVATION
REDC

SITE / BUILDING SECTION

ERIE

[36]



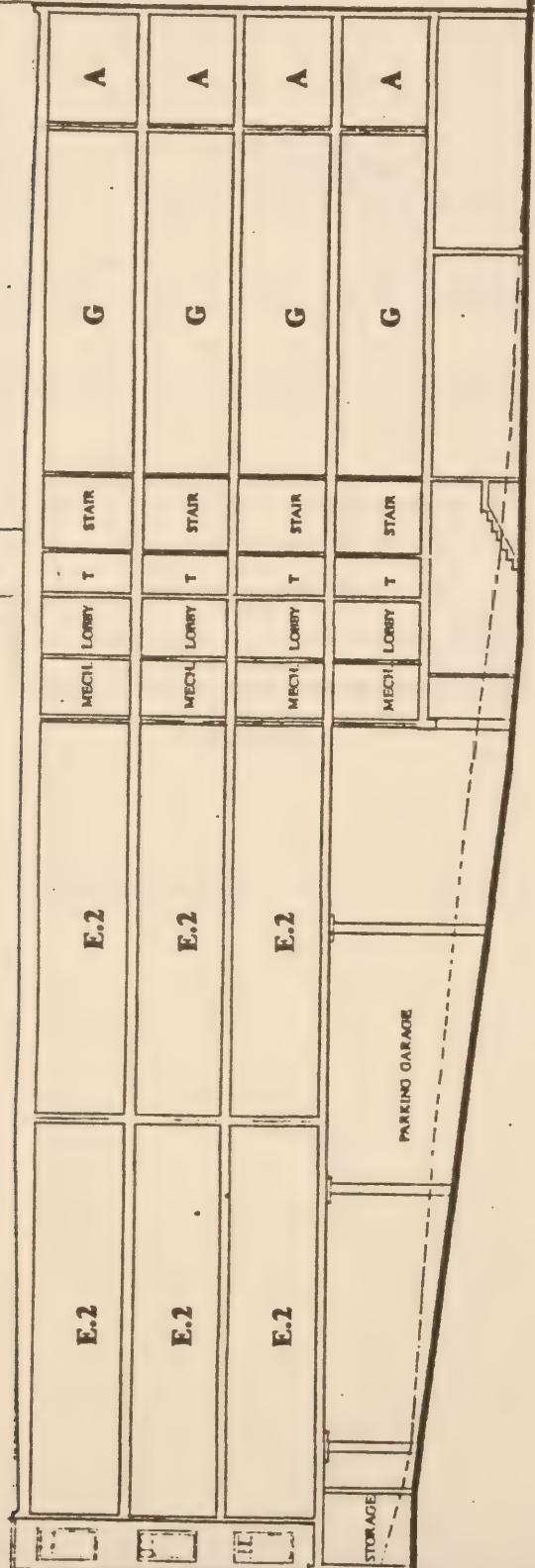
REEDC

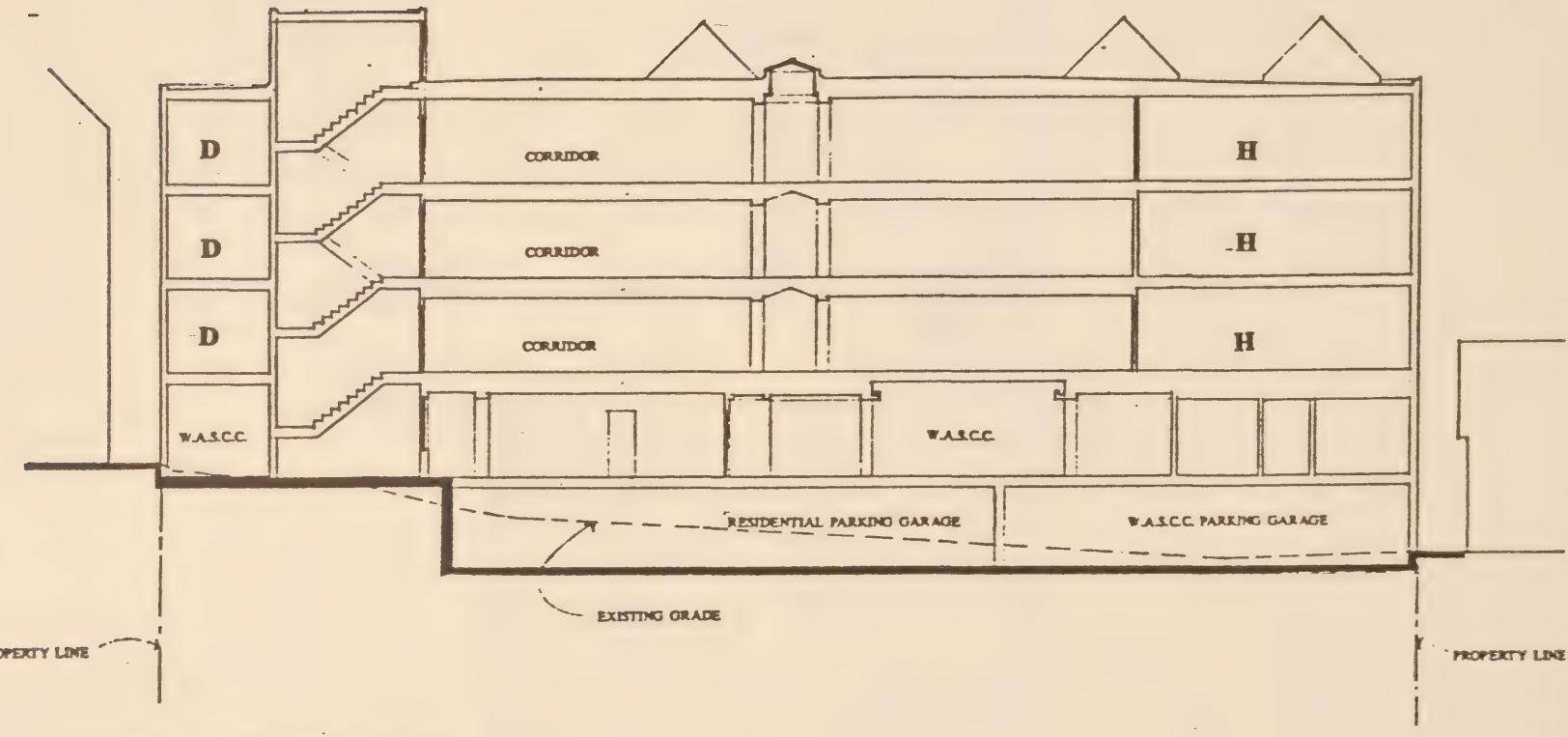
McALLISTER STREET BUILDING SECTION

© SECTION
WRI

PROPERTY LINE

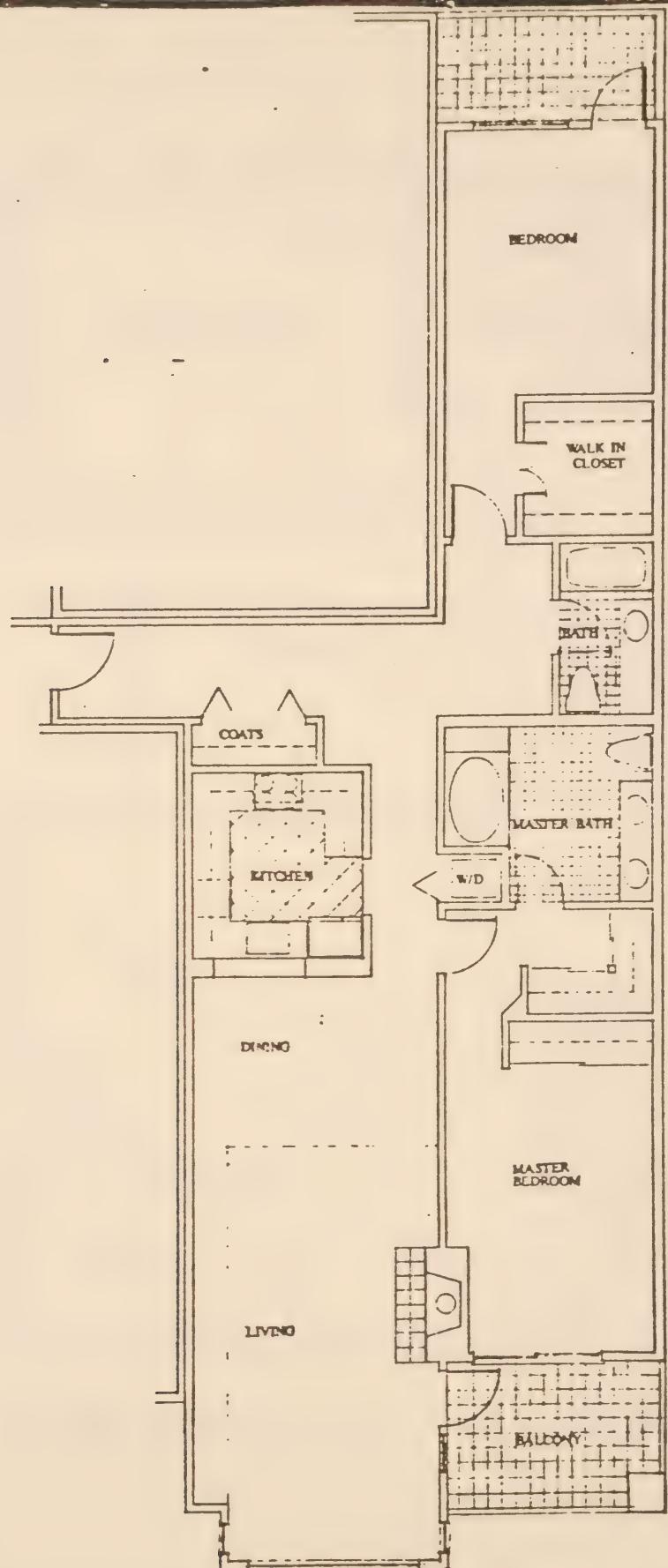
PROPERTY LINE





(B) McALLISTER STREET BUILDING - SECTION
1/8-1-6

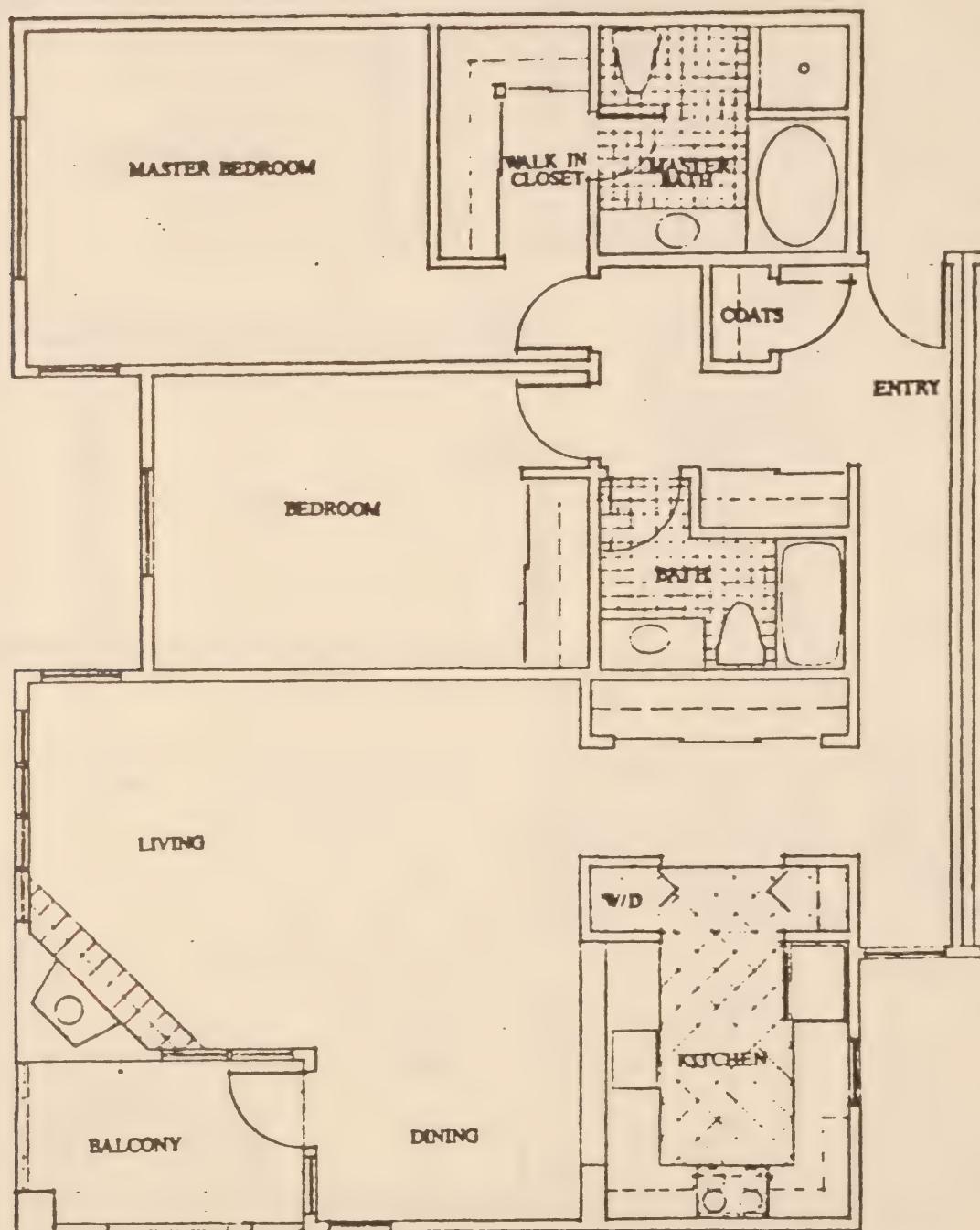
McALLISTER STREET BUILDING SECTION



5 UNIT TYPE A 1502 GROSS SQ FT.

FLOOR PLAN UNIT TYPE A

REDC

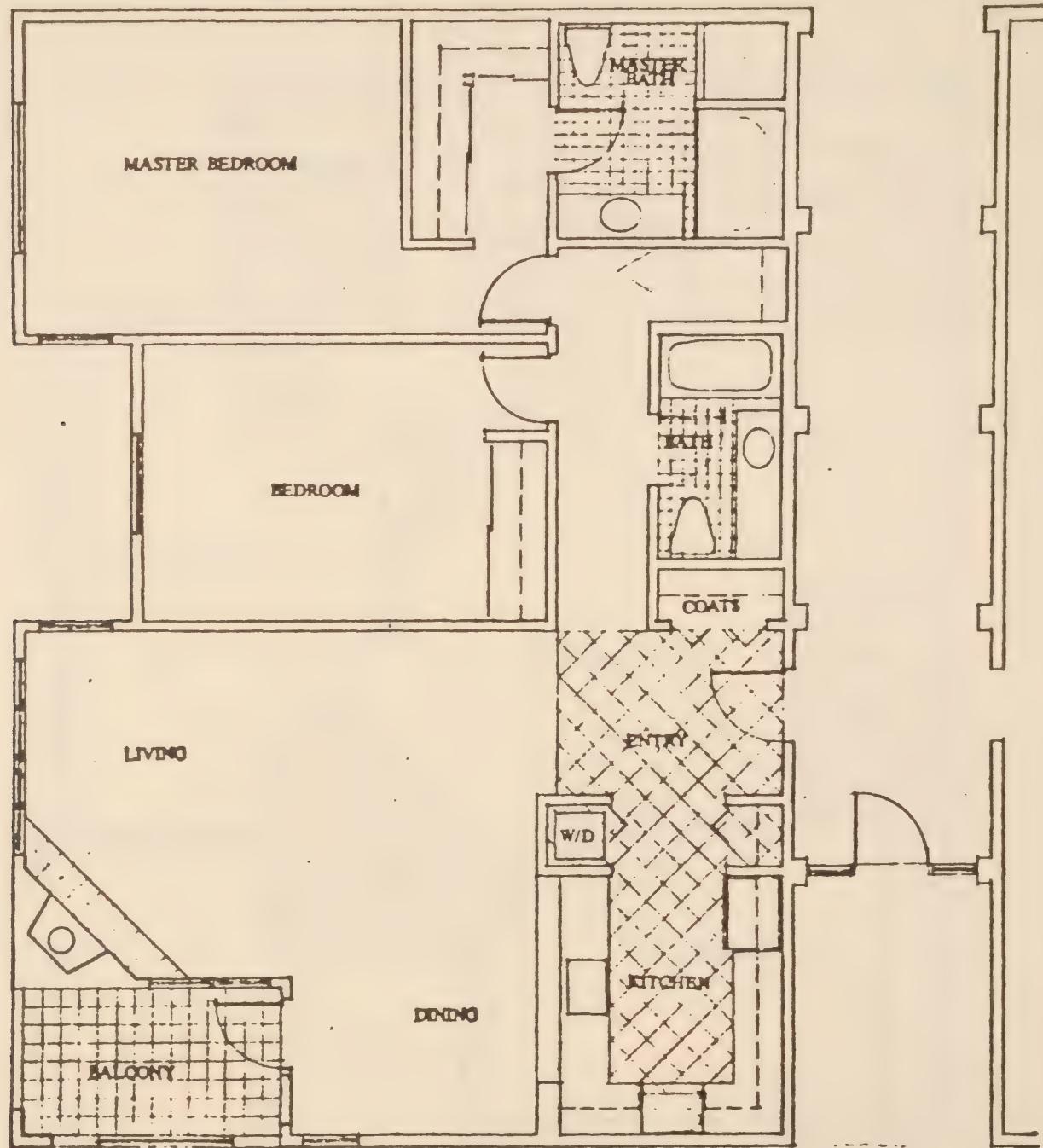


2 UNIT TYPE B.1
1454 GROSS SQUARE FEET

FLOOR PLAN UNIT TYPE B.1

REDC

[40]



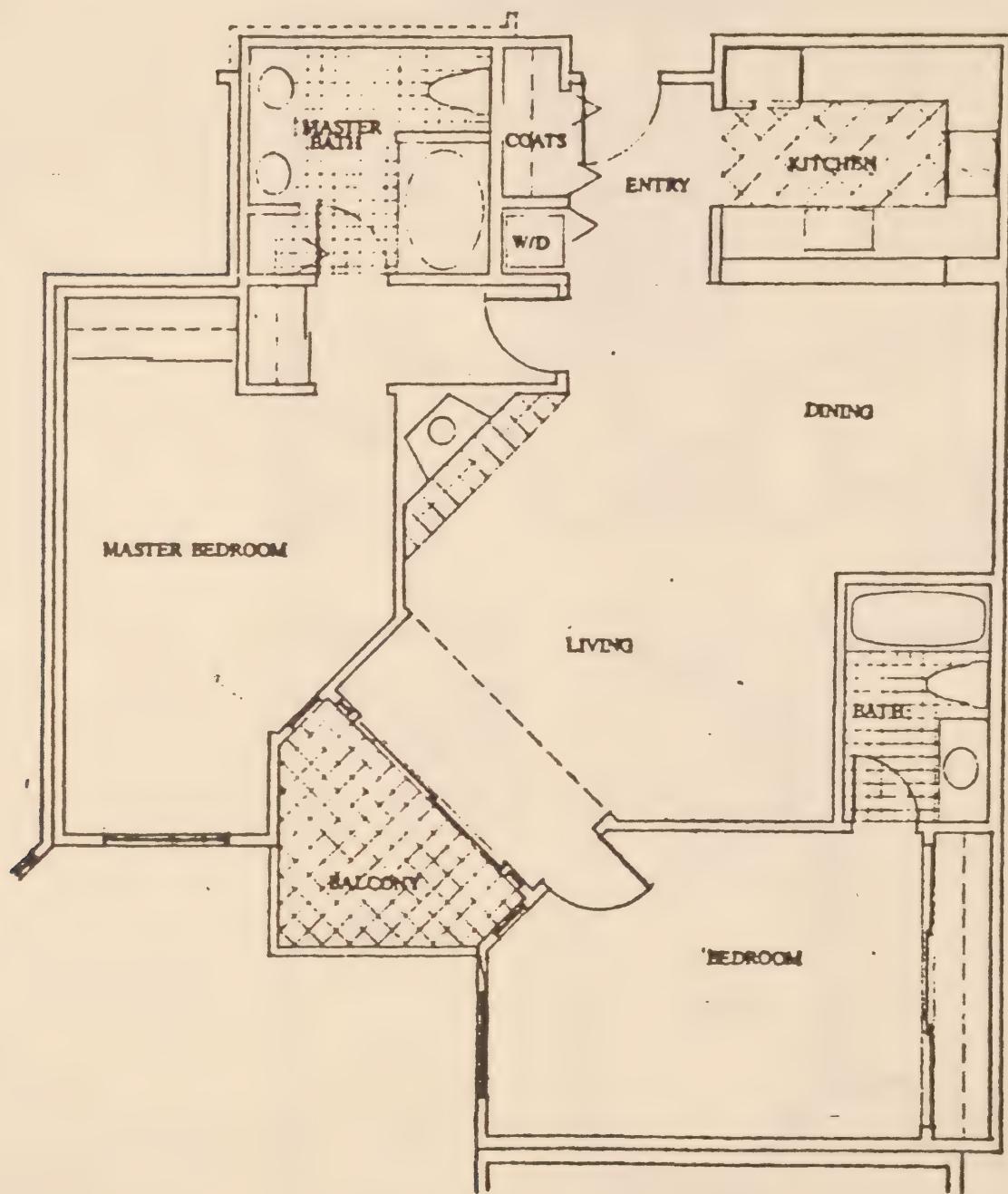
① UNIT TYPE B.2
1/5-1-a

1345 GROSS SQUARE FEET

FLOOR PLAN UNIT TYPE B.2

REDC

[41]

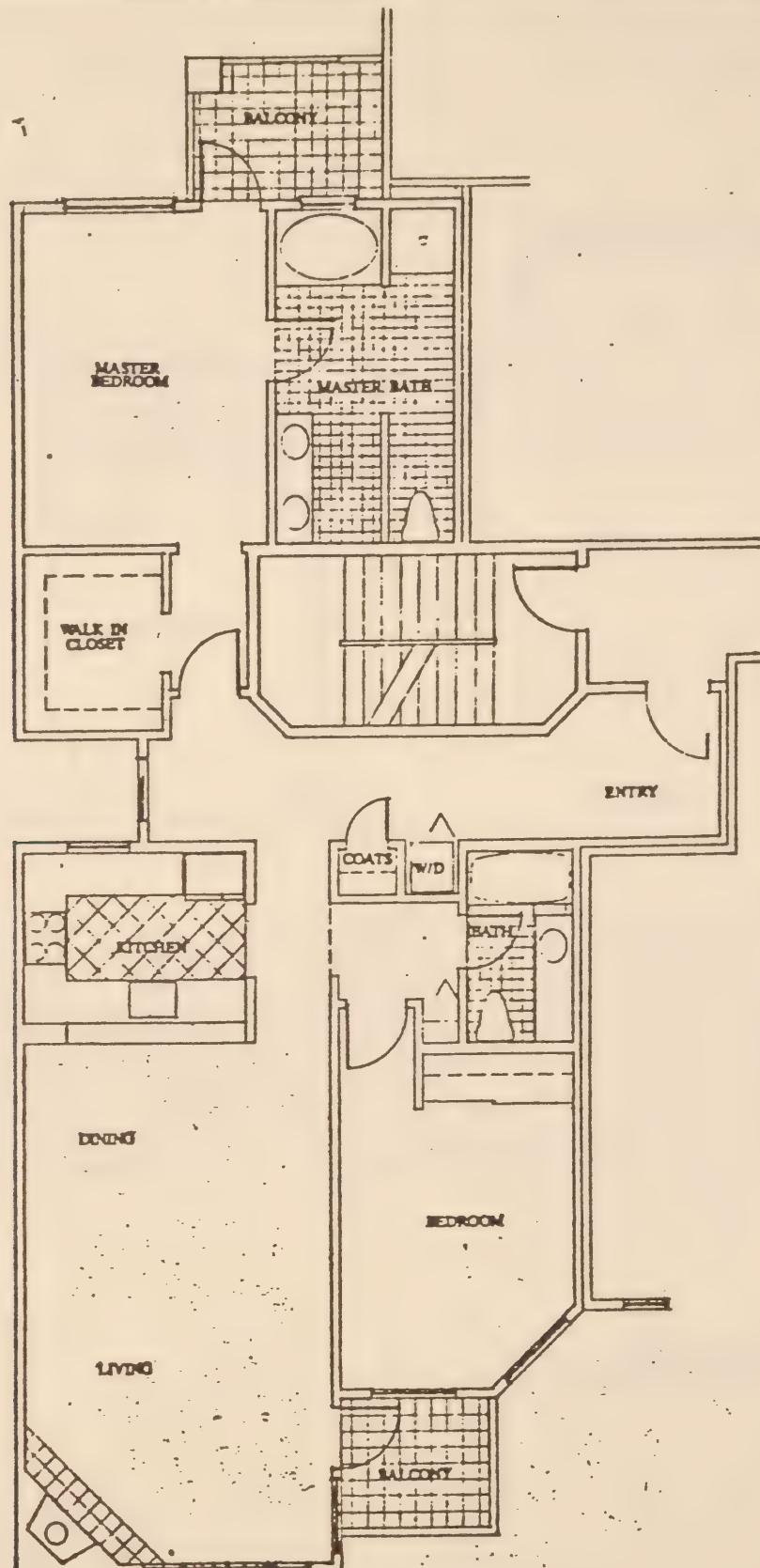


3 UNIT TYPE C1
V-E-T-E

ପ୍ରକାଶ କେନ୍ଦ୍ର ନାମ ଏତ୍ତି

FLOOR PLAN UNIT TYPE C.1

REDC



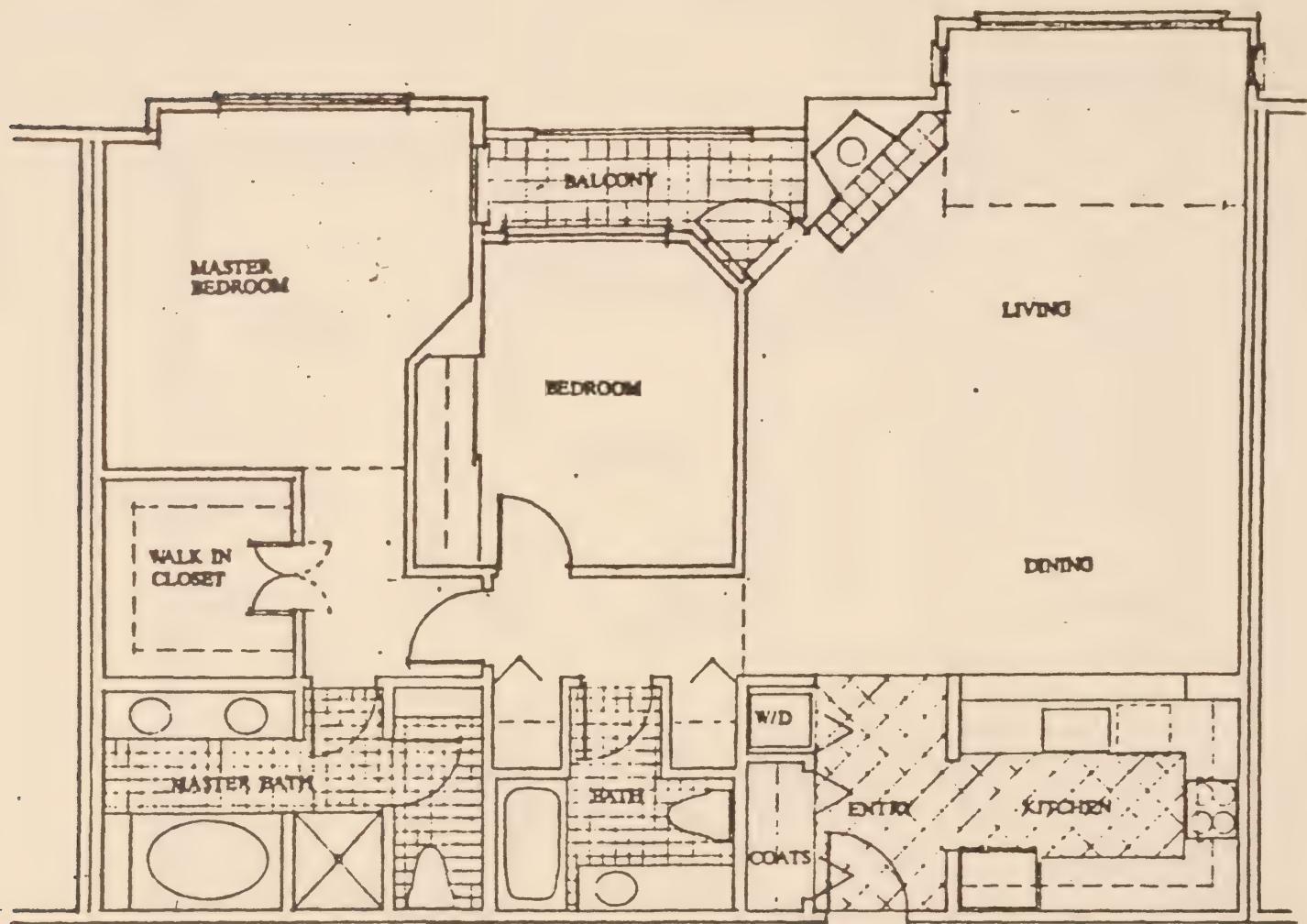
①

UNIT TYPE D

1487 6028 SQ. FT.

FLOOR PLAN UNIT TYPE D

REDC

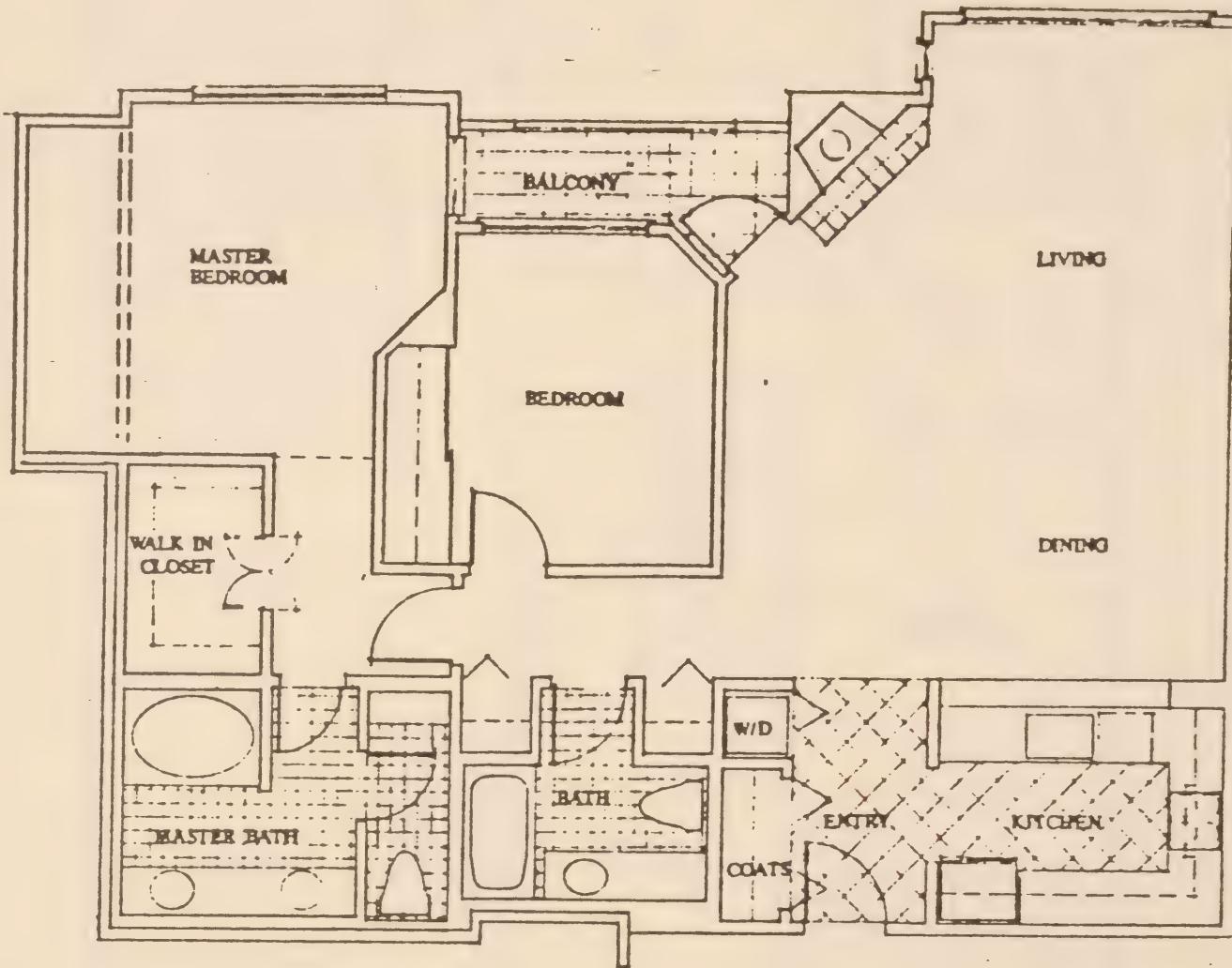


1 UNIT TYPE E.1
1/4-1-0

1336 GROSS SQ. FT.

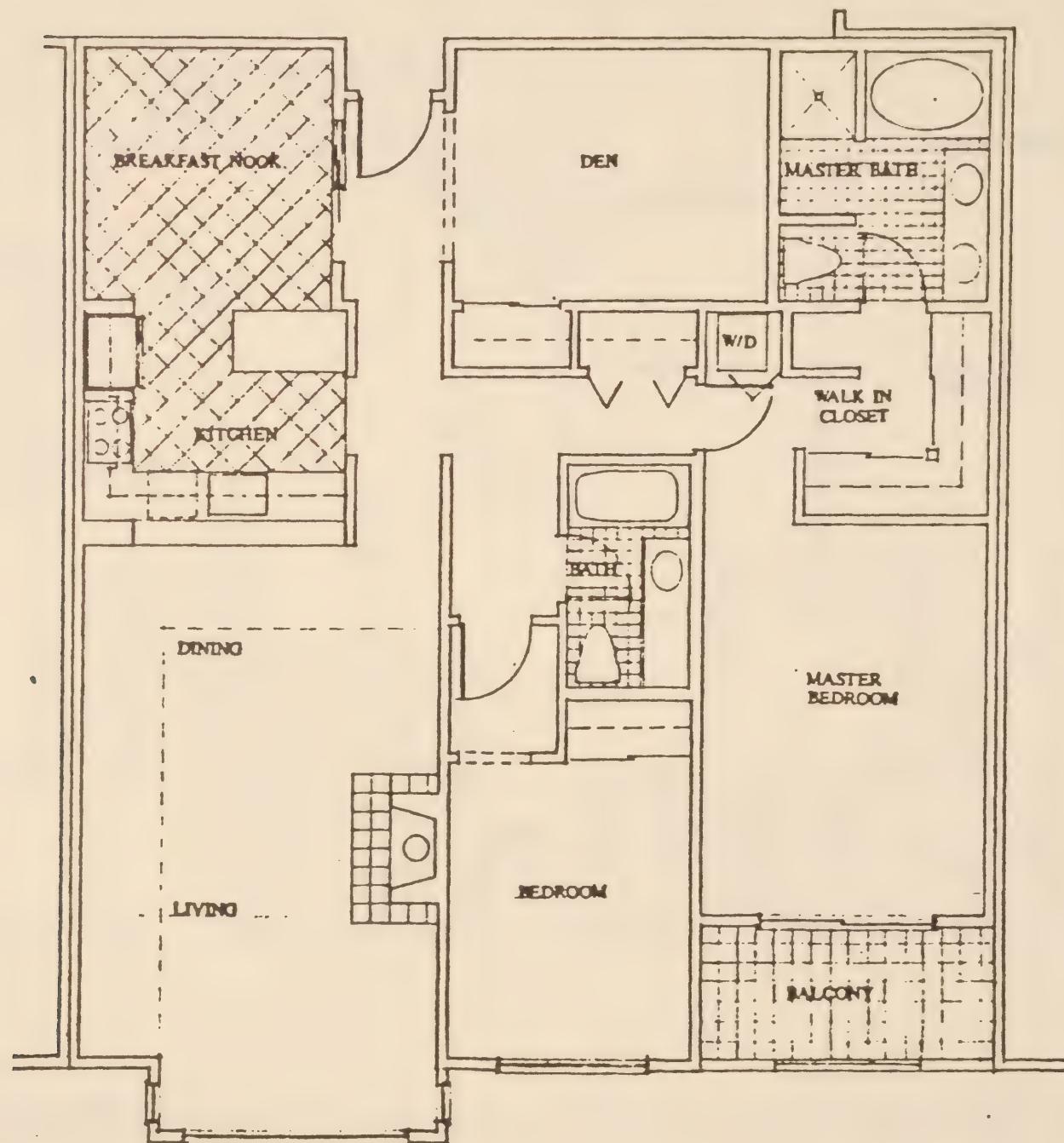
FLOOR PLAN UNIT TYPE E.1

REDC



2 UNIT TYPE E.2
1312 GROSS SQ FT.

FLOOR PLAN UNIT TYPE E.2



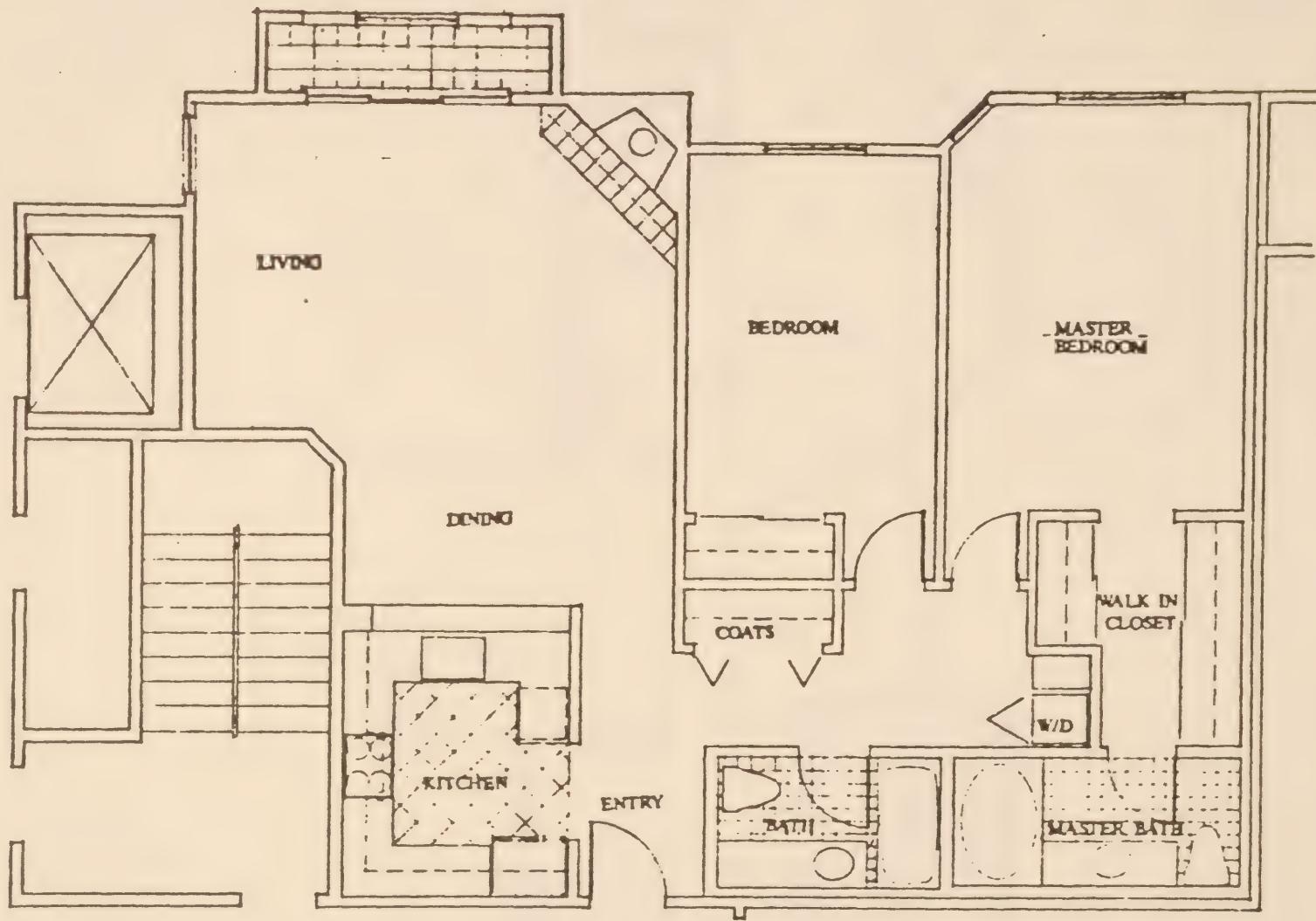
④ UNIT TYPE F
V-F-T-F

1523 GROSS SQ. FT.

FLOOR PLAN UNIT TYPE F

REDC

[46]



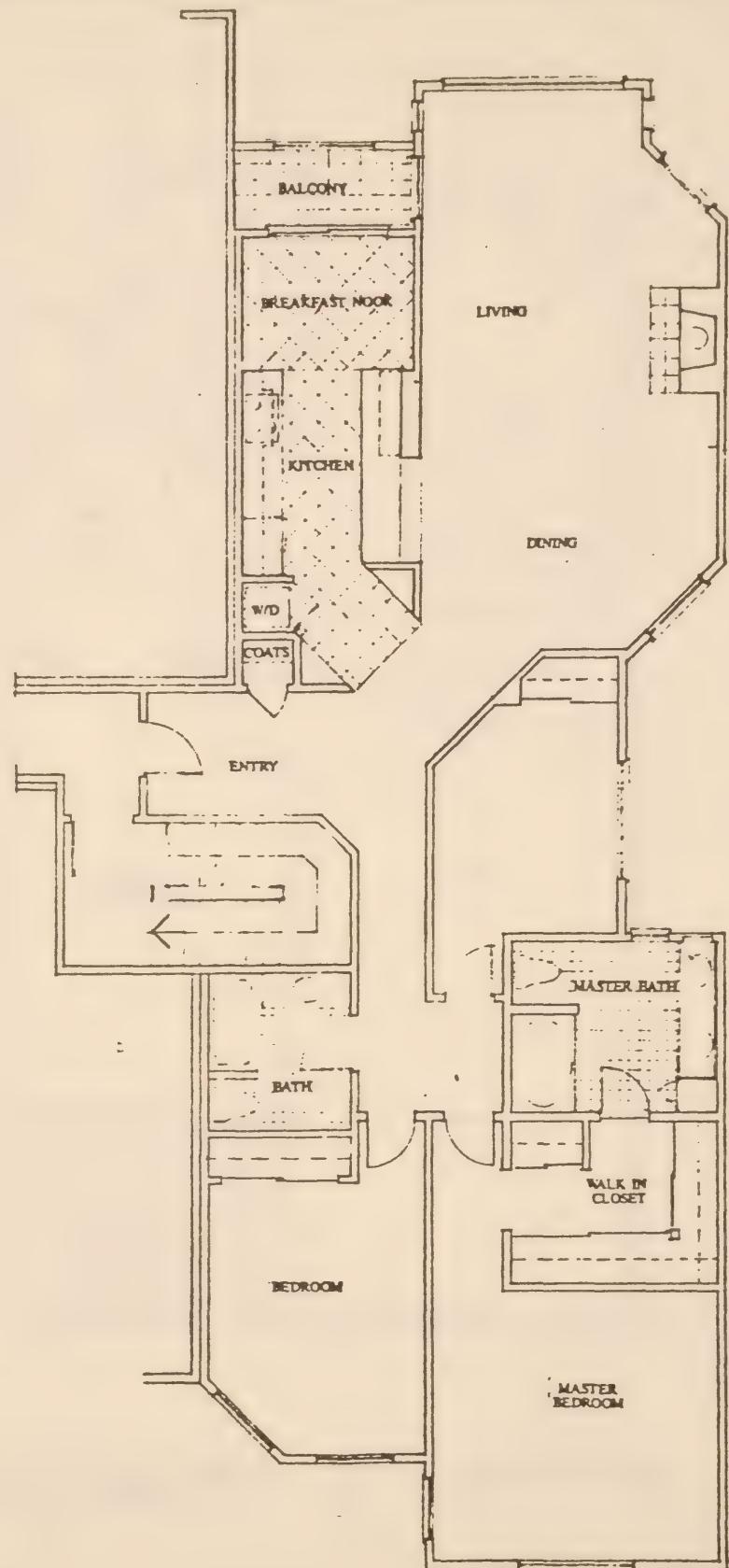
2 UNIT TYPE G
14-1-0

1231 GROSS SQ. FT.

FLOOR PLAN UNIT TYPE G

REDC

[47]

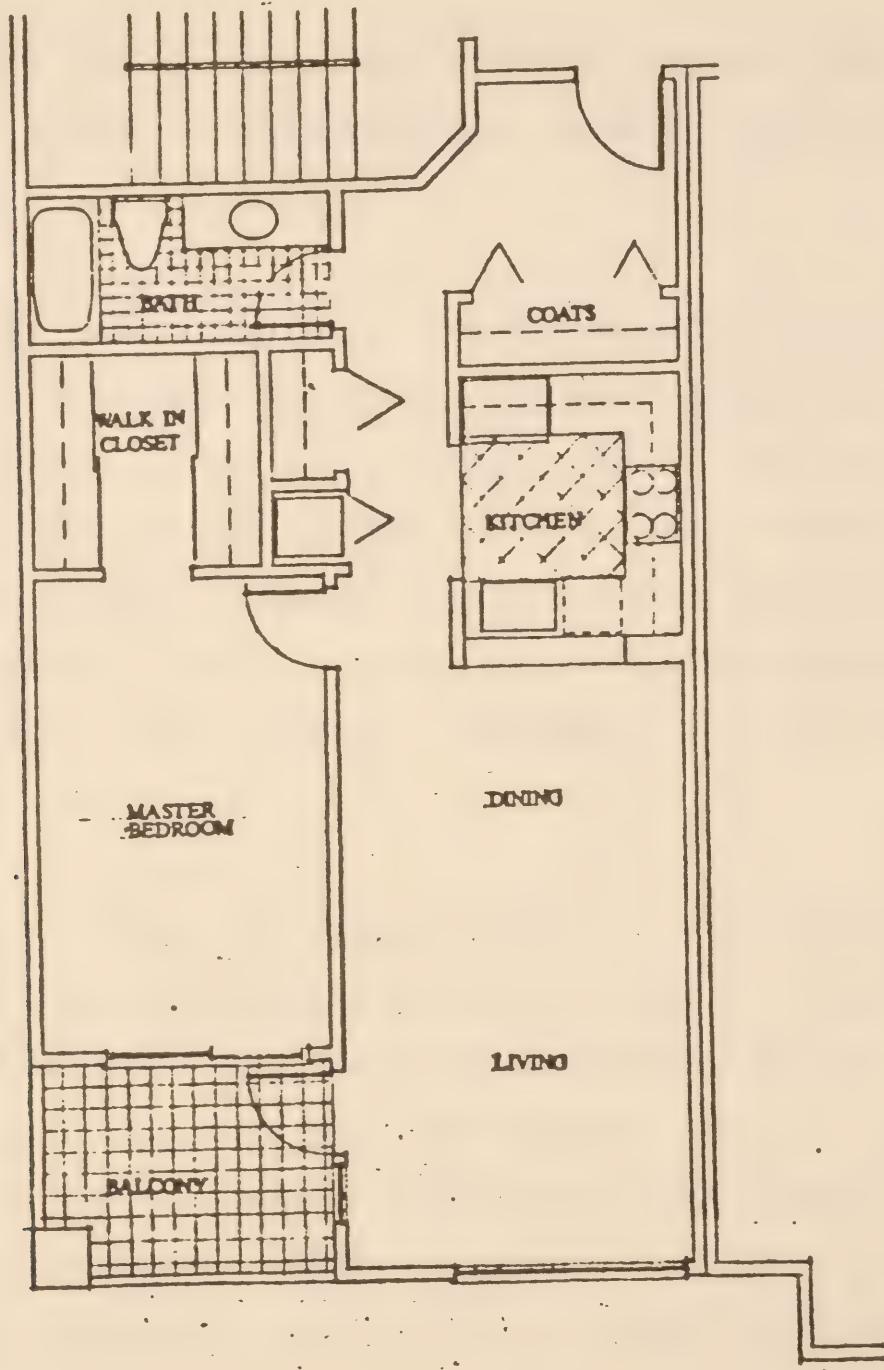


4 UNIT TYPE H

1708 GROSS SQ. FT.

FLOOR PLAN UNIT TYPE H

REDC



③ UNIT TYPE I 884 Gross Sq.Ft

FLOOR PLAN UNIT TYPE I

REDC

Kitchen features include European Formica counter tops, wooden cabinets and built in dishwashers, garbage disposals, oven/ranges, and refrigerators.

Access to residential units will be exclusively from the Fulton Street common entry way or from a garage entry on the same street. Conversely, entrance to the senior citizens daycare center is only from the McAllister Street entry way or from its respective garage space. Direct access to each residential floor is from a elevator in each building which provides access from the lower garage floor space. Stairways provide additional access to each floor.

Plans submitted to us for review call for construction of an approximate 29,088 square foot garage area containing 60 spaces of which 6 are reserved for the daycare facility and the balance of 54 spaces are reserved for residential units. Due to the sloping terrain of the site, this garage space will be constructed partially below grade. A common courtyard is planned for Alamo Plaza and will include an attractive landscaped plaza with lawn and terraces.

In summary, the proposed project reflects a well designed medium to high density residential complex. The project design uses the sloping topography to maximize the development's garage utility and the residential units security access. Separate entries for

both the daycare center and the residential units provide sufficient isolation and identity for both. Development design has ensured privacy for the residential units in its building configuration and floor insulation from the daycare center. We therefore conclude no adverse marketability for the residential units will be attributed to the adjoining daycare center.

Zoning

According to the San Francisco Planning Department, the subject parcels are listed as zone RM-4, designating medium density residential development. However, conversations with officials at this department revealed the use and development of the subject parcels are under the jurisdiction of the San Francisco Redevelopment Agency. As such, the restrictions for use and development by this agency supersede those by the Planning Department. The property is situated within the Redevelopment Agency's "Western Addition" A-2 redevelopment project plan area. Specifically the subject parcels are zoned RH under the agency's restrictions, designating high density residential development.

The redevelopment plan was prepared in accordance with the California Community Redevelopment Law. The plan conforms to the master plan of the City and County of San Francisco in so far as the master plan applies to the project area. The Redevelopment Agency of the City and County of San Francisco consulted with City Planning and other Departments and offices of the City and

County of San Francisco in formulating the plan. A map of this project area A-2 is found on the following page.

Summary of the A-2 Project Area

The project is now a predominantly residential area characterized by conditions of blight which include residential buildings unfit and unsafe for occupancy; mixed and shifting uses; overcrowded dwelling units; inadequate provision for ventilation, light, sanitation and open spaces; obsolete platting; economic dislocation; and depressed property values. These conditions contribute substantially and increasingly to the problems of, and necessitate disproportionate expenditures for preservation of public health and safety, adequate police protection, crime prevention, correction, prosecution and punishment, treatment of juvenile delinquency, fire and accident prevention, and other public services and facilities.

Summary of Proposed Actions - The Agency in accordance with and pursuant to applicable Federal, State and local laws will remedy, or cause to be remedied, conditions causing blight presently existing in the project by:

1. Rehabilitation, alteration, modernization, general improvement or any combination thereof of certain existing structures;
2. Acquisition of real property by purchase, gift, devise, exchange, condemnation or any other lawful means;
3. Relocation of the occupants presently residing in structures which are acquired; or as necessary, in structures subject to rehabilitation;



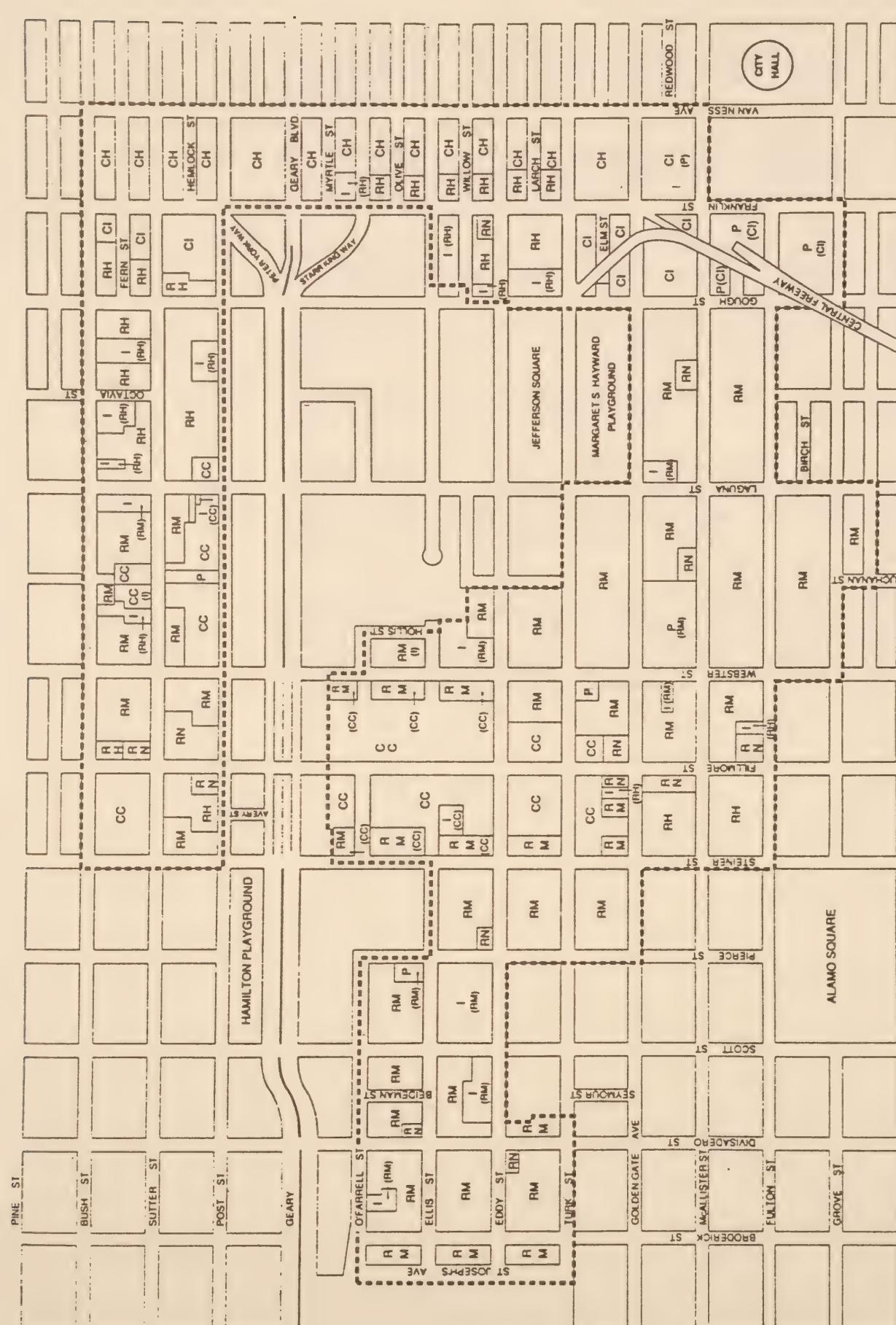
WESTERN ADDITION AREA A-2

LAND USE

Note: Land use areas and rights of way are schematic and are subject to adjustments to accommodate final surveys and engineering details

San Francisco Redevelopment Agency

RM	Residential, medium density
RH	Residential, high density
RN	Residential and neighborhood commercial
I	Alternate uses () shown in parentheses
P	Public
—	Project boundary



4. Demolition, removal or clearance of certain existing buildings and structures on land acquired by the Agency;
5. Arrangement with proper authorities for the vacation and realignment of certain streets, utilities, and other rights-of-way;
6. Reservation of certain areas for public streets, rights-of-way, and other public purposes;
7. Installation and relocation of necessary site improvements, utilities, and facilities;
8. Formulation and administration of rules and regulations for owner participation;
9. Formulation and administration of rules governing reasonable preference to persons who are engaged in business in the project area to re-enter in business within the redeveloped area;
10. Sale or lease of all land acquired by the Agency for reuse in accordance with the Plan and such additional conditions as may be imposed by the Agency in any manner authorized by law in order to carry out the purposes of redevelopment.

Purposes of the Plan - The purposes of the actions proposed by the Plan are to:

1. Provide the framework within which restoration of the economic and social health of the project area and its environs will be accomplished by private actions.
2. Guide and stimulate the development of sound and attractive residences available to persons of varied incomes and ages, with emphasis on the provision of moderate-priced private housing for families of moderate income and for the elderly.
3. Guide development toward the production of a satisfying and urbane living and working environment preserving and enhancing the unique social, cultural and esthetic qualities of the City.
4. Stimulate and attract private investment to improve the City's economic health and expand the tax base.

The RH district is a high density residential area to be developed with residential buildings, allowing not less than 100 square feet of lot area for each room. The height of buildings in RH residential areas shall be limited to 50 feet. Parking requirements for residential use in this classification are a minimum of at least one space for each dwelling unit.

Development Requirements and Status

As a necessary condition for procuring the subject site at a below market price, it is our understanding the developer is limited by the San Francisco Redevelopment Agency to construct 54 residential condominium units as well as a minimum 9,000 square foot senior citizens daycare facility, required parking, open space and landscaped areas. Requirements for disposition of the daycare facility and provisions for sale profits from the residential units have been addressed in the previous section.

According to the developer, all development plans and specifications have been approved by the Redevelopment Agency. Filing of building permits are the only requirement yet necessary before construction can begin.

Land Use Controls

Flood Disaster Protection Act of 1973 - The subject is not located in a presently identified flood zone. San Francisco is not a participating community in the regular insurance program as established by the Flood Disaster Protection Act of 1973. Flood hazard insurance is not required.

California Coastal Act of 1976 - The subject property is not within the Coastal Resources Management Area.

Geologic Hazards Act of 1972 - The community has adopted a seismic element to its general plan. The subject property is not

located within a Special Studies Zone as designated by the State Division of Mines and Geology. A geologic investigation is not necessary.

Assessed Value and Taxes

The subject parcels are currently under the ownership of the San Francisco Redevelopment Agency and as such are a non-taxable entity. Therefore, the subject parcels are not currently assessed and no taxes are levied upon them.

HIGHEST AND BEST USE

Highest and best use is defined as the reasonable and probable use which will support the highest present value as of the effective date of the appraisal. It is also described as that use from among reasonable, probable, and legal alternative uses found to be physically possible, appropriately supported, and financially feasible, and which results in the highest land value. Applied within these definitions is recognition of the contribution of the specific use to community environment or community development goals in addition to wealth maximization of individual property owners.

The subject property is located in the Western Addition Redevelopment area in relative close proximity to newly constructed and renovated residential and mixed-use commercial developments, as well as to older residential apartments and condominiums, public buildings, and office and commercial land uses. The property has a central location and convenient access to local public transportation systems, making it quite suitable for residential development. The property is zoned RH, designating high density residential according to the Redevelopment Agency. The proposed improvements are, therefore, considered to be a legal conforming use.

The area appears ripe for residential redevelopment due to its convenient location to transportation, shopping, business centers

and entertainment. The proposed subject site is situated in a marginal area, however, the flow of development in this section of the city appears to be progressing south into the subject neighborhood. We are of the opinion the subject site is a prime construction site as vacant land is virtually non-existent in the area.

Although the site is not level, it presents no major development problems. Surrounding land uses are similarly developed with residential structures on similar if not more sloping terrain.

Based upon the above factors, the highest and best use of the land is concluded to be multi-family residential, as allowable under the current zoning. The proposed use is considered to be consistent with the highest and best use of the parcel.

VALUATION

In order to estimate the feasibility of the proposed development, the Retail Value and the development costs for the subject property must be determined based upon an analysis of data in the marketplace regarding current building costs, mortgage rates, competitive projects, available investment alternatives, and recent sales of comparable structures.

Our analysis will determine the sum of the Retail Value of the individual condominium units based upon analysis of comparable units recently transacted within the marketplace, compensating for demand considerations relative to existing pricing alternatives.

The absorption time for the subject property will be determined based upon estimates of historic absorption for competitive projects as well as absorption figures based upon available published data within the subject's general market area.

The cost to develop the subject property will be based upon our analysis of the preliminary plans with consideration given to direct costs for construction, and indirect costs including such factors as taxes on unsold units, sales expense, and interest on outstanding loans extended over the absorption period.

The gap between the Retail Valuation and the estimate of development cost is an index of the feasibility of the project. The concluded gross profit and gross profit margin provides an index which can be evaluated relative to the market risk inherent in the project.

Retail Valuation

Recent sales or listings of comparable condominium development were analyzed. These properties were compared with the subject property on the basis of sales price per square foot of net saleable area.

Adjustments were made to reflect size, quality of view, location, room utility, floor plan style, date of sale, and condition. A location map of comparable sales, and photographs of comparable sales, are provided on the following pages. A brief discussion of the comparable properties follows.

Comparable Nos. 1 and 5 are from a five unit complex located six blocks south of subject site in an area that shares similar locational characteristics to subject's immediate area. These units are similar in all respects to the proposed subject units but upward adjustments are warranted of the smaller overall size and older sale dates.



INDIVIDUAL CONDOMINIUM UNIT SALES

REDC

[62]

IMPROVED CONDOMINIUM UNIT SALES



Comparable Nos. 1 and 5: 366 and 370 Waller Street



[63]

Comparable No. 2: 480 Fillmore Street



Comparable No. 3: 1760 O'Farrell Street, #17



Comparable No. 4: 1288 McAllister Street



Comparable No. 6 and 7: 1825 Turk Street, #305 and #204





Comparable No. 9: 1930 Eddy Street, #101





Comparable No. 11: 515 Pierce Street, #2

Comparable No. 2 is located four blocks south of the subject. This unit is a three-story townhouse style condominium unit and includes a private garage and entryway. A downward adjustment is required to reflect more appealing unit construction as opposed to the subject's one level stacked configuration. Built in 1981 and purchased as a resale unit, an upward adjustment is necessary for its older age and inferior condition.

Comparable No. 3 is a pending sale from a multi-unit condominium project six blocks north of the subject in close proximity to the redevelopment activity on Fillmore Street. Although this area is near retail services, increased traffic volume is considered to offset this convenient location. As in Comparable No. 2, an upward adjustment is required for this unit's inferior condition attributed to its older age.

Comparable No. 4 is from a condominium complex one half block north of subject on the corner of McAllister and Steiner streets. This unit is located on the top floor of the complex and is currently available for purchase. Upward adjustments are required for the older construction age, room utility and smaller overall size. Downward adjustments are required for its top floor unit location and non-negotiated/inflated listing price.

Comparable Nos. 6 and 7 are two condominium unit sales within a new six unit building located four blocks northwest of the subject. Upward adjustments were made for these unit's smaller size

and older sale dates. Downward adjustments were made for a top floor unit location as in the case of Comparable No. 6.

Comparable No. 8 is the top floor condominium unit of a two unit building located in a superior area of the subjects' market area, 12 blocks southwest of the proposed Alamo Plaza. This sale has a good city view amenity and is also separately deeded a large rear deck and yard area. The only upward adjustments considered warranted are for this unit's inferior condition and older sale date.

Comparable No. 9 is from a newly constructed 15 unit project located in a similar area four blocks northwest of the subject site. As compared to the subject's one bedroom floor plan, this condominium unit is similar in all respects. The only adjustments required are for its older sale date, slightly larger size and lack of a fireplace.

Comparable No. 10 is a two-story townhouse style condominium unit located in a similar area eight blocks south of the subject site. This unit has a superior two car tandem positioning parking arrangement and a superior project construction orientation. Upward adjustments are required for its inferior condition, smaller overall size, older sale date, and lack of a fireplace.

Comparable No. 11 is from an older vintage (built in 1924) two unit building located one half block from Alamo Square. This

condominium unit sale has reportedly been completely updated with modern kitchen and bathroom fixtures, appliances, is considered to be compared to the subject's newly constructed units. A local school is across the street, but no adverse influences are attributed. Upward adjustments, however, are considered warranted for this unit's inferior condition, smaller overall size, older sale date, and lack of a fireplace.

Summary of Retail Value - After considering appropriate adjustments to the comparables contained on the market data valuation spreadsheets on the following pages, we conclude base sales prices for the individual models as follows:

<u>Plan</u>	<u>Unit</u>	<u>Size</u>	<u>Base</u> <u>Price/</u> <u>Unit</u>	<u>Base</u> <u>Price/</u> <u>Sq. Ft.</u>
	<u>Type</u>	<u>Sq. Ft.</u>		
A	2BR/2BA	1,519	\$295,000	\$194.21
B.1	2BR/2BA	1,426	290,000	203.37
B.2	2BR/2BA	1,312	285,000	217.22
C	2BR/2BA	1,300	280,000	215.38
D	2BR/2BA	1,386	290,000	209.24
E	2BR/2BA	1,309	285,000	217.72
F	2BR/2BA+Den	1,578	300,000	190.11
G	2BR/2BA	1,356	287,000	211.65
H	2BR/2BA	1,805	315,000	174.51
I	1BR/1BA	872	195,000	223.62

Project Unit Orientation

We have reviewed the unit's location within the project in order to determine whether or not market premiums can be assigned any units with "superior" locations. Project plans submitted for our review revealed that all units will have either a street or courtyard orientation providing an equal amount of lighting and

Model A

MARKET DATA APPROACH (1/90)

UNIT TYPE: A: 2BR/2BA

Item	Subject Property	COMPARABLE No.1	COMPARABLE No.2	COMPARABLE No.3	COMPARABLE No.4
Address-Unit No.					
Project Name	Alamo Plaza	366 Waller St	480 Fillmore	1760 O'Farrell #17	1288 McAllister
Proximity to Subj.	NA	6 Blocks South	4 Blocks South	6 Blocks North	½ Block
Sales Price	NA	260,000	262,000	255,000	289,500 asking
Price/Living Area	NA	226.09	166.99	223.68	290.08
Data Source	NA	CMDC	CMDC	Broker	Broker
Date of Sale and Time Adjustment	1/90	Description 8/89	Description 10/89	Description pending	Description Current Listing
Location	Western Addition	Hayes Valley	Hayes Valley	Hayes Valley	Western Addition
View	Area	Area	Area	Area	Area
Design and Appeal	Good	Good	Good	Good	Good
Quality of Constr.	Good	Good	Good	Good	Good
Age	1990	1989	1981	1984	1986
Condition	New	New	Good 40,000	Very Good 20,000	Very Good 20,000
Living Area, Total BR BA	5 2 2	Total BR BA	Total BR BA	Total BR BA	Total BR BA
Room Count	5 2 2	5 2 2	5 2 2	4 2 2 5,000	4 2 1 10,000
Gross Living Area	1,519	1,150 18,000	1,569 (2,500)	1,140 19,000	998 26,000
Style	1 Level	1 Level	3 Level TH (10,000)	1 Level	1 Lev Top Fl (15,000)
Functional Utility	Good	Good	Good	Good	Good
Air Conditioning	None	None	None	None	None
Storage	Adequate	Adequate	Adequate	Adequate	Adequate
Parking Facilities	1 Garage Space				
Common Elements					
and Recreation Facilities	Common Lot Area				
Mo. Assessment	NA	122	120	200	200
Leasehold/Fee	Fee	Fee	Fee	Fee	Fee
Special Energy					
Efficient Items	NA	NA	NA	NA	NA
Other (e.g. fire- places, kitchen equip., remodeling)	1 Fireplace All Electric Kitchen				
Sales or Financing					
Concessions	NA	None	None	None	* (30,000)
Net Adj. (total)		27,000	32,000	44,000	11,000
Indicated Value of Subject		287,000	294,000	299,000	300,500
Indicated Sq. Ft. Price		188.94	193.55	196.84	197.83
Selected for Subject:	\$295,000 or \$194.21/sf				

Model B-1

MARKET DATA APPROACH (1/90)

UNIT TYPE: B-1: 2BR/2BA

Item	Subject Property	COMPARABLE No.1	COMPARABLE No.2	COMPARABLE No.3	COMPARABLE No.4
Address-Unit No.					
Project Name	Alamo Plaza	366 Waller St	480 Fillmore	1760 O'Farrell #17	1288 McAllister
Proximity to Subj.	NA	6 Blocks South	4 Blocks South	6 Blocks North	½ Block
Sales Price	NA	260,000	262,000	255,000	289,500 asking
Price/Living Area	NA	226.09	166.99	223.68	290.08
Data Source	NA	CMDC	CMDC	Broker	Broker
Date of Sale and Time Adjustment	1/90	Description 8/89	Description 10/89	Description pending	Description Current Listing
Location	Western Addition	Hayes Valley	Hayes Valley	Hayes Valley	Western Addition
View	Area	Area	Area	Area	Area
Design and Appeal	Good	Good	Good	Good	Good
Quality of Constr.	Good	Good	Good	Good	Good
Age	1990	1989	1981	1984	1986
Condition	New	New	Good 40,000	Very Good 20,000	Very Good 20,000
Living Area, Total BR BA	5 2 2	Total BR BA	Total BR BA	Total BR BA	Total BR BA
Room Count	5 2 2	5 2 2	5 2 2	4 2 2 5,000	4 2 1 10,000
Gross Living Area	1,426	1,150 14,000	1,569 (7,000)	1,140 14,000	998 21,500
Style	1 Level	1 Level	3 Level TH (10,000)	1 Level, 1st Floor	1 Lev Top Fl (15,000)
Functional Utility	Good	Good	Good	Good	Good
Air Conditioning	None	None	None	None	None
Storage	Adequate	Adequate	Adequate	Adequate	Adequate
Parking Facilities	1 Garage Space				
Common Elements					
and Recreation Facilities	Common Lot Area				
Mo. Assessment	NA	122	120	200	120
Leasehold/Fee	Fee	Fee	Fee	Fee	Fee
Special Energy					
Efficient Items	NA	NA	NA	NA	NA
Other (e.g. fire- places, kitchen equip., remodeling)	1 Fireplace All Electric Kitchen				
Sales or Financing					
Concessions	NA	None	None	None	* (30,000)
Net Adj. (total)		24,000	23,000	39,000	6,500
Indicated Value of Subject		284,000	283,000	294,000	296,000
Indicated Sq. Ft. Price		199.16	198.46	206.17	207.57
Selected for Subject:	290,000 or \$203.31/sf				

* Inflated Listing Price

Model B-2

MARKET DATA APPROACH (1/90)

UNIT TYPE: B-2: 2BR/2BA

Item	Subject Property	COMPARABLE No.1	COMPARABLE No.2	COMPARABLE No.3	COMPARABLE No.4
Address-Unit No.					
Project Name	Alamo Plaza	366 Waller St	480 Fillmore	1760 O'Farrell #17	1288 McAllister
Proximity to Subj.	NA	6 Blocks South	4 Blocks South	6 Blocks North	½ Block
Sales Price	NA	260,000	262,000	255,000	289,500 asking
Price/Living Area	NA	226.09	166.99	223.68	290.08
Data Source	NA	CMDC	CMDC	Broker	Broker
Date of Sale and Time Adjustment					
	1/90	8/89	10/89	4,500	--
9,000					
Location	Western Addition	Hayes Valley	Hayes Valley	Hayes Valley	Western Addition
View	Area	Area	Area	Area	Area
Design and Appeal	Good	Good	Good	Good	Good
Quality of Constr.	Good	Good	Good	Good	Good
Age	1990	1989	1981	1984	1986
Condition	New	New	Good	Very Good	Very Good
Living Area, Total	BR BA				
Room Count	5 2 2	5 2 2	5 2 2	4 2 2	5,000 4 2 1 10,000
Gross Living Area	1,312	1,150	8,000	1,569 (13,000)	1,140 8,500 998 16,000
Style	1 Level	1 Level	3 Level TH (10,000)	1 Level, 1st Floor	1 Lev Top FL (15,000)
Functional Utility	Good	Good	Good	Good	Good
Air Conditioning	None	None	None	None	None
Storage	Adequate	Adequate	Adequate	Adequate	Adequate
Parking Facilities	1 Garage Space				
Common Elements and Recreation Facilities					
Mo. Assessment	NA	122	120	200	120
Leasehold/Fee	Fee	Fee	Fee	Fee	Fee
Special Energy Efficient Items					
Other (e.g. fire- places, kitchen equip., remodeling)	1 Fireplace All Electric Kitchen				
Sales or Financing					
Concessions	NA	None	None	None	* (30,000)
Net Adj. (total)		17,000	21,500	33,500	1,000
Indicated Value of Subject		277,000	283,500	228,500	290,500
Indicated Sq. Ft. Price		211.13	216.08	219.89	221.42
Selected for Subject:	285,000 or \$217.22/sf				

* Inflated Listing Price

Model C

MARKET DATA APPROACH (1/90)

UNIT TYPE: C: 2BR/2BA

Item	Subject Property	COMPARABLE No.1	COMPARABLE No.2	COMPARABLE No.3	COMPARABLE No.4
Address-Unit No.					
Project Name	Alamo Plaza	366 Waller St	480 Fillmore	1760 O'Farrell #17	1288 McAllister
Proximity to Subj.	NA	6 Blocks South	4 Blocks South	6 Blocks North	½ Block
Sales Price	NA	260,000	262,000	255,000	289,500 asking
Price/Living Area	NA	226.09	166.99	223.68	290.08
Data Source	NA	CMDC	CMDC	Broker	Broker
Date of Sale and Time Adjustment					
	1/90	8/89	9,000	4,500	--
Location	Western Addition	Hayes Valley	Hayes Valley	Hayes Valley	Western Addition
View	Area	Area	Area	Area	Area
Design and Appeal	Good	Good	Good	Good	Good
Quality of Constr.	Good	Good	Good	Good	Good
Age	1990	1989	1981	1984	1986
Condition	New	New	Good	Very Good	Very Good
Living Area, Room Count	Total BR BA 5 2 2	Total BR BA 5 2 2	Total BR BA 5 2 2	Total BR BA 4 2 2	Total BR BA 4 2 1
Gross Living Area	1,300	1,150	7,500	5,1569 (13,500)	5,140 8,000
Style	1 Level	1 Level	3 Level TH (10,000)	1 Level, 1st Floor	1 Lev Top Fl (15,000)
Functional Utility	Good	Good	Good	Good	Good
Air Conditioning	None	None	None	None	None
Storage	Adequate	Adequate	Adequate	Adequate	Adequate
Parking Facilities	1 Garage Space				
Common Elements and Recreation Facilities					
Mo. Assessment	Common Lot Area				
Leasehold/Fee	NA	122	120	200	120
Special Energy Efficient Items	Fee	Fee	Fee	Fee	Fee
Other (e.g. fire- places, kitchen equip., remodeling)	1 Fireplace All Electric Kitchen				
Sales or Financing					
Concessions	NA	None	None	None	* (30,000)
Net Adj. (total)		16,500	21,000	33,000	0
Indicated Value of Subject		276,500	283,000	288,000	289,500
Indicated Sq. Ft. Price		212.69	217.69	221.54	222.69
Selected for Subject:	280,000 or \$215.38/sf				

* Inflated Listing Price

Model D

MARKET DATA APPROACH (1/90)

UNIT TYPE: D: 2BR/2BA

Item	Subject Property	COMPARABLE No.1	COMPARABLE No.2	COMPARABLE No.3	COMPARABLE No.4
Address-Unit No.					
Project Name	Alamo Plaza	366 Waller St	480 Fillmore	1760 O'Farrell #17	1288 McAllister
Proximity to Subj.	NA	6 Blocks South	4 Blocks South	6 Blocks North	½ Block
Sales Price	NA	260,000	262,000	255,000	289,500 asking
Price/Living Area	NA	226.09	166.99	223.68	290.08
Data Source	NA	CMDC	CMDC	Broker	Broker
Date of Sale and Time Adjustment	1/90	Description 8/89	Description 10/89	Description pending	Description Current Listing
		Adjmt 9,000	Adjmt 4,500	Adjmt --	Adjmt --
Location	Western Addition	Hayes Valley	Hayes Valley	Hayes Valley	Western Addition
View	Area	Area	Area	Area	Area
Design and Appeal	Good	Good	Good	Good	Good
Quality of Constr.	Good	Good	Good	Good	Good
Age	1990	1989	1981	1984	1986
Condition	New	New	Good 40,000	Very Good 20,000	Very Good 20,000
Living Area, Total BR BA	5 2 2	Total BR BA	Total BR BA	Total BR BA	Total BR BA
Room Count	5 2 2	5 2 2	5 2 2	4 2 2 5,000	4 2 1 10,000
Gross Living Area	1,386	1,150 12,000	1,569 (9,000)	1,140 12,500	998 19,500
Style	1 Level	1 Level	3 Level TH (10,000)	1 Level, 1st Floor	1 Lev Top Fl (15,000)
Functional Utility	Good	Good	Good	Good	Good
Air Conditioning	None	None	None	None	None
Storage	Adequate	Adequate	Adequate	Adequate	Adequate
Parking Facilities	1 Garage Space				
Common Elements					
and Recreation Facilities	Common Lot Area				
Mo. Assessment	NA	122	120	200	120
Leasehold/Fee	Fee	Fee	Fee	Fee	Fee
Special Energy					
Efficient Items	NA	NA	NA	NA	NA
Other (e.g. fire- places, kitchen equip., remodeling)	1 Fireplace All Electric Kitchen				
Sales or Financing					
Concessions	NA	None	None	None	* (30,000)
Net Adj. (total)		21,000	25,500	37,500	4,500
Indicated Value of Subject		281,000	287,500	292,500	294,000
Indicated Sq. Ft. Price		202.74	201.43	211.04	212.12
Selected for Subject:	290,000 or \$209.24/sf				

* Inflated Listing Price

Model E-1, E-2

MARKET DATA APPROACH (1/90)

UNIT TYPE: E-1: 2BR/2BA

UNIT TYPE: E-2: 2BR/2BA

Item	Subject Property	COMPARABLE No.1	COMPARABLE No.2	COMPARABLE No.3	COMPARABLE No.4
Address-Unit No.					
Project Name	Alamo Plaza	366 Waller St	480 Fillmore	1760 O'Farrell #17	1288 McAllister
Proximity to Subj.	NA	6 Blocks South	4 Blocks South	6 Blocks North	½ Block
Sales Price	NA	260,000	262,000	255,000	289,500 asking
Price/Living Area	NA	226.09	166.99	223.68	290.08
Data Source	NA	CMDC	CMDC	Broker	Broker
Date of Sale and Time Adjustment					
		Description Adjmt	Description Adjmt	Description Adjmt	Description Adjmt
		8/89	10/89	pending	Current Listing
Time Adjustment	1/90	9,000	4,500	--	--
Location	Western Addition	Hayes Valley	Hayes Valley	Hayes Valley	Western Addition
View	Area	Area	Area	Area	Area
Design and Appeal	Good	Good	Good	Good	Good
Quality of Constr.	Good	Good	Good	Good	Good
Age	1990	1989	1981	1984	1986
Condition	New	New	Good 40,000	Very Good 20,000	Very Good 20,000
Living Area,	Total BR BA				
Room Count	5 2 2	5 2 2	5 2 2	4 2 2 5,000	4 2 1 10,000
Gross Living Area	1,309	1,150	8,000	1,569 (13,000)	1,140 8,500
Style	1 Level	1 Level	3 Level TH (10,000)	1 Level, 1st Floor	1 Lev Top Fl (15,000)
Functional Utility	Good	Good	Good	Good	Good
Air Conditioning	None	None	None	None	None
Storage	Adequate	Adequate	Adequate	Adequate	Adequate
Parking Facilities	1 Garage Space				
Common Elements					
and Recreation Facilities	Common Lot Area				
Mo. Assessment	NA	122	120	200	120
Leasehold/Fee	Fee	Fee	Fee	Fee	Fee
Special Energy					
Efficient Items	NA	NA	NA	NA	NA
Other (e.g. fire- places, kitchen equip., remodeling)	1 Fireplace All Electric Kitchen				
Sales or Financing					
Concessions	NA	None	None	None	* (30,000)
Net Adj. (total)		17,000	21,500	33,500	500
Indicated Value of Subject		277,000	283,500	288,500	290,000
Indicated Sq. Ft. Price		211.61	216.58	220.40	221.54
Selected for Subject:	285,000 or \$217.72/sf				

* Inflated Listing Price

Model F

MARKET DATA APPROACH (1/90)

UNIT TYPE: F: 2BR/2BA

Item	Subject Property	COMPARABLE No.1	COMPARABLE No.2	COMPARABLE No.3	COMPARABLE No.4
Address-Unit No.					
Project Name	Alamo Plaza	366 Waller St	480 Fillmore	1760 O'Farrell #17	1288 McAllister
Proximity to Subj.	NA	6 Blocks South	4 Blocks South	6 Blocks North	½ Block
Sales Price	NA	260,000	262,000	255,000	289,500 asking
Price/Living Area	NA	226.09	166.99	223.68	290.08
Data Source	NA	CMDC	CMDC	Broker	Broker
Date of Sale and Time Adjustment	1/90	Description 8/89	Adjmt 9,000	Description 10/89	Adjmt 4,500
Location	Western Addition	Hayes Valley	Hayes Valley	Hayes Valley	Western Addition
View	Area	Area	Area	Area	Area
Design and Appeal	Good	Good	Good	Good	Good
Quality of Constr.	Good	Good	Good	Good	Good
Age	1990	1989	1981	1984	1986
Condition	New	New	Good 40,000	Very Good 20,000	Very Good 20,000
Living Area, Total BR BA	6 2 2	Total BR BA 5 2 2 5,000	Total BR BA 5 2 2 5,000	Total BR BA 4 2 2 10,000	Total BR BA 4 2 1 15,000
Room Count	6 2 2	5 2 2 5,000	5 2 2 5,000	4 2 2 10,000	4 2 1 15,000
Gross Living Area	1,578	1,150 21,500	1,569	1,140 22,000	998 29,000
Style	1 Level	1 Level	3 Level TH (10,000)	1 Level, 1st Floor	1 Lev Top Fl (15,000)
Functional Utility	Good	Good	Good	Good	Good
Air Conditioning	None	None	None	None	None
Storage	Adequate	Adequate	Adequate	Adequate	Adequate
Parking Facilities	1 Garage Space				
Common Elements					
and Recreation Facilities	Common Lot Area				
Mo. Assessment	NA	122	120	200	120
Leasehold/Fee	Fee	Fee	Fee	Fee	Fee
Special Energy					
Efficient Items	NA	NA	NA	NA	NA
Other (e.g. fire- places, kitchen equip., remodeling)	1 Fireplace All Electric Kitchen				
Sales or Financing					
Concessions	NA	None	None	None	* (30,000)
Net Adj. (total)		35,500	39,500	52,000	19,000
Indicated Value of Subject		295,500	301,500	307,000	308,500
Indicated Sq. Ft. Price		187.26	191.06	194.55	195.50
Selected for Subject:	300,000 or \$190.11/sf				

* Inflated Listing Price

Model G

MARKET DATA APPROACH (1/90)

UNIT TYPE: G: 2BR/2BA

Item	Subject Property	COMPARABLE No.1	COMPARABLE No.2	COMPARABLE No.3	COMPARABLE No.4
Address-Unit No.					
Project Name	Alamo Plaza	366 Waller St	480 Fillmore	1760 O'Farrell #17	1288 McAllister
Proximity to Subj.	NA	6 Blocks South	4 Blocks South	6 Blocks North	½ Block
Sales Price	NA	260,000	262,000	255,000	289,500 asking
Price/Living Area	NA	226.09	166.99	223.68	290.08
Data Source	NA	CMDC	CMDC	Broker	Broker
Date of Sale and Time Adjustment					
		Description Adjmt	Description Adjmt	Description Adjmt	Description Adjmt
		8/89	10/89	pending	Current Listing
Time Adjustment	1/90	9,000	4,500	--	--
Location	Western Addition	Hayes Valley	Hayes Valley	Hayes Valley	Western Addition
View	Area	Area	Area	Area	Area
Design and Appeal	Good	Good	Good	Good	Good
Quality of Constr.	Good	Good	Good	Good	Good
Age	1990	1989	1981	1984	1986
Condition	New	New	Good 40,000	Very Good 20,000	Very Good 20,000
Living Area,	Total BR BA				
Room Count	6 2 2	5 2 2	5 2 2	4 2 2 5,000	4 2 1 10,000
Gross Living Area	1,356	1,150 10,500	1,569 (10,500)	1,140 11,000	998 18,000
Style	1 Level	1 Level	3 Level TH (10,000)	1 Level, 1st Floor	1 Lev Top FL (15,000)
Functional Utility	Good	Good	Good	Good	Good
Air Conditioning	None	None	None	None	None
Storage	Adequate	Adequate	Adequate	Adequate	Adequate
Parking Facilities	1 Garage Space				
Common Elements and Recreation Facilities					
Mo. Assessment	NA	122	120	200	120
Leasehold/Fee	Fee	Fee	Fee	Fee	Fee
Special Energy Efficient Items					
Other (e.g. fire- places, kitchen equip., remodeling)	1 Fireplace All Electric Kitchen				
Sales or Financing Concessions					
Net Adj. (total)	NA	None	None	None	* (30,000) 3,000
Indicated Value of Subject		19,500	24,000	36,000	
Indicated Sq. Ft. Price		279,500	286,000	291,000	292,500
Selected for Subject:	287,000 or \$211.65/sf	206.12	210.91	214.60	215.71

* Inflated Listing Price

Model H

MARKET DATA APPROACH (1/90)

UNIT TYPE: H: 3BR/2BA

Item	Subject Property	COMPARABLE No.5	COMPARABLE No.6	COMPARABLE No.7	COMPARABLE No.8
Address-Unit No.					
Project Name	Alamo Plaza	370 Waller St	1825 Turk St #305	1825 Turk St #204	71 Scott St
Proximity to Subj.	NA	6 Blocks South	4 Blocks Northwest	4 Blocks Northwest	12 Blocks Southwest
Sales Price	NA	300,000	294,000	289,000	365,000
Price/Living Area	NA	225.23	210.00	206.43	202.78
Data Source	NA	CMDC	MLS #119686	MLS #124882	MLS #125763
		Description Adjmt	Description Adjmt	Description Adjmt	Description Adjmt
Date of Sale and Time Adjustment	1/90	9/89	8/89	9/89	6/89
Location	Western Addition	Hayes Valley	Western Addition	Western Addition	Superior (10,000)
View	Area	Area	Area	Area	City (15,000)
Design and Appeal	Good	Good	Good	Good	Good
Quality of Constr.	Good	Good	Good	Good	Good
Age	1990	1989	1989	1989	1984
Condition	New	New	New	New	Very Good 20,000
Living Area, Total BR BA	6 3 2	Total BR BA	Total BR BA	Total BR BA	Total BR BA
Room Count	6 3 2	6 3 2½ (5,000)	5 3 2 5,000	6 3 2	6 3 2
Gross Living Area	1,805	1,332 23,500	1,400 20,000	1,400 20,000	1,800
Style	1 Level	1 Level	1 Lev 2nd F(15,000)	1 Level	2 Lev Top Fl (25,000)
Functional Utility	Good	Good	Good	Good	Good
Air Conditioning	None	None	None	None	None
Storage	Adequate	Adequate	Adequate	Adequate	Adequate
Parking Facilities	1 Garage Space	2 Garage Sp(20,000)	1 Garage Space	1 Garage Space	2 Car Tandem (15,000)
Common Elements and Recreation Facilities	Common Lot Area	Common Lot Area	Common Lot Area	Common Lot Area	Sep. Deeded (20,000) Rear Deck & Yd
Mo. Assessment	NA	122	160	160	105
Leasehold/Fee	Fee	Fee	Fee	Fee	Fee
Special Energy Efficient Items					
Other (e.g. fire- places, kitchen equip., remodeling)	1 Fireplace All Electric Kitchen				
Sales or Financing Concessions					
Net Adj. (total)	NA	None	None	None	None
Indicated Value of Subject		6,000	20,000	27,000	(47,000)
Indicated Sq. Ft. Price		306,000	314,000	316,000	318,000
Selected for Subject:	315,000 or \$174.51/sf	169.53	173.96	175.07	176.18

Model I

MARKET DATA APPROACH (1/90)

UNIT TYPE: I: 1BR/1BA

Item	Subject Property	COMPARABLE No.9	COMPARABLE No.10	COMPARABLE No.11
Address-Unit No.				
Project Name	Alamo Plaza	1930 Eddy St #101	281 Hermann	515 Pierce St #2
Proximity to Subj.	NA	4 Blocks Northwest	8 Blocks South	1 Blocks Northwest
Sales Price	NA	187,500	184,000	171,000
Price/Living Area	NA	207.18	262.86	211.63
Data Source	NA	CMDC	MLS #121304	MLS #125821/CMA
		Description Adjmt	Description Adjmt	Description Adjmt
Date of Sale and Time Adjustment	1/90	9/89 5,000	5/89 11,000	7/89 7,000
Location	Western Addition	Western Addition	Hayes Valley	Western Addition
View	Area	Area	Area	Area
Design and Appeal	Good	Good	Good	Good
Quality of Constr.	Good	Good	Good	Good
Age	1990	1989	1985	1924 (Updated)
Condition	New	New	Very Good 15,000	Good 20,000
Living Area, Total BR BA		Total BR BA	Total BR BA	Total BR BA
Room Count	3 1 1	3 1 1	3 1 1	3 1 1
Gross Living Area	872	905 (1,500)	700 8,500	808 3,000
Style	1 Level	1 Level	2 Story TH (10,000)	1 Level
Functional Utility	Good	Good	Good	Good
Air Conditioning	None	None	None	None
Storage	Adequate	Adequate	Adequate	Adequate
Parking Facilities	1 Garage Space	1 Garage Space	2 Car Tande(15,000)	1 Car Garage
Common Elements				
and Recreation Facilities	Common Lot Area	Common Lot Area	Common Lot Area	Common Lot Area
Mo. Assessment		149	84	75
Leasehold/Fee	Fee	Fee	Fee	Fee
Special Energy				
Efficient Items	NA	NA	NA	NA
Other (e.g. fire- places, kitchen equip., remodeling)	1 Fireplace All Electric Kitchen	No Fireplac 1,500 All Electric Kitchen	No Fireplac 1,500 All Electric Kitchen	No Fireplac 1,500 All Electric Kitchen
Sales or Financing				
Concessions	NA	None	None	None
Net Adj. (total)		5,000	11,000	31,500
Indicated Value of Subject		192,500	195,000	202,500
Indicated Sq. Ft. Price		220.76	223.62	232.22
Selected for Subject:	195,000 or \$223.62/sf			

view amenity. Although subjective in nature, we consider these units equal in market appeal with no adjustments warranted.

However, conversations with several real state brokers familiar with factors influencing condominium values, as well as analysis of the previous data presented indicated a premium for top floor project unit locations. This premium is rooted in the fact that top floor units generally have superior view amenities, provide superior security and minimize adverse noise influences. Accordingly, we have assigned a premium of \$15,000 per unit for the subject project's top floor locations.

Total Retail Value Conclusions

Using the base unit prices concluded above and assigning the before described top floor unit premium, total Retail Value conclusions per floor are calculated below:

Floor 1

<u># of</u>	<u>Unit</u>	<u>Size</u>	<u>Price/</u>	<u>Price/</u>	<u>Total</u>
<u>Units</u>	<u>Plan</u>	<u>Type</u>	<u>Sq. Ft.</u>	<u>Unit</u>	<u>Sq. Ft.</u>
1	A	2BR/2BA	1,519	\$295,000	\$194.21
2	B.2	2BR/2BA	3,312	\$285,000	\$217.22
1	E	2BR/2BA	1,300	\$285,000	\$217.72
1	F	2BR/2BA+Den	1,386	\$300,000	\$190.11
1	G	2BR/2BA	1,309	\$287,000	\$211.65
Total Floor 1					\$1,737,000

Floor 2

1	A	2BR/2BA	1,519	\$295,000	\$194.21	\$295,000
2	B.1	2BR/2BA	1,426	\$290,000	\$203.37	\$580,000
2	C	2BR/2BA	1,300	\$280,000	\$215.38	\$560,000
1	D	2BR/2BA	1,386	\$290,000	\$209.24	\$290,000
4	E	2BR/2BA	1,309	\$285,000	\$217.72	\$1,140,000
3	F	2BR/2BA+Den	1,578	\$300,000	\$190.11	\$900,000
1	G	2BR/2BA	1,356	\$287,000	\$211.65	\$287,000
1	H	3BR/2BA	1,805	\$315,000	\$174.51	\$315,000
1	I	1BR/1BA	872	\$195,000	\$223.62	\$195,000
Total Floor 2						\$4,562,000

Floor 3

<u># of Units</u>	<u>Plan</u>	<u>Unit Type</u>	<u>Size Sq. Ft.</u>	<u>Price/ Unit</u>	<u>Price/ Sq. Ft.</u>	<u>Total</u>
1	A	2BR/2BA	1,519	\$295,000	\$194.21	\$295,000
2	B.1	2BR/2BA	1,426	\$290,000	\$203.37	\$580,000
2	C	2BR/2BA	1,300	\$280,000	\$215.38	\$560,000
1	D	2BR/2BA	1,386	\$290,000	\$209.24	\$290,000
4	E	2BR/2BA	1,309	\$285,000	\$217.72	\$1,140,000
3	F	2BR/2BA+Den	1,578	\$300,000	\$190.11	\$900,000
1	G	2BR/2BA	1,356	\$287,000	\$211.65	\$287,000
1	H	3BR/2BA	1,805	\$315,000	\$174.51	\$315,000
1	I	1BR/1BA	872	\$195,000	\$223.62	<u>\$195,000</u>
Total Floor 3						\$4,562,000

Floor 4

1	A	2BR/2BA	1,519	\$310,000	\$204.08	\$310,000
2	B.1	2BR/2BA	1,426	\$305,000	\$213.89	\$610,000
2	C	2BR/2BA	1,300	\$295,000	\$226.92	\$590,000
1	D	2BR/2BA	1,386	\$305,000	\$220.16	\$305,000
4	E	2BR/2BA	1,309	\$300,000	\$229.18	\$1,200,000
3	F	2BR/2BA+Den	1,578	\$315,000	\$199.62	\$945,000
1	G	2BR/2BA	1,356	\$302,000	\$222.71	\$302,000
1	H	3BR/2BA	1,805	\$330,000	\$182.83	\$330,000
1	I	1BR/1BA	872	\$210,000	\$240.83	<u>\$210,000</u>
Total Floor 4						\$4,802,000

Total Project Retail Value: \$15,663,000

Average Unit Price: \$290,056

Total Net Saleable Sq. Ft. 75,466

Average Unit Size: 1,398 Sq. Ft.

Average Unit Price/Sq. Ft.: \$207.48

Absorption Estimate

In order to estimate a reasonable absorption time for the subject property at the concluded pricing structure, an analysis was made of published data for historical sales of condominium units by the San Francisco Association of Realtors. This data revealed the following facts:

	<u>1987</u>	<u>1988</u>	<u>Percentage Change</u>	<u>1989</u>	<u>Percentage Change</u>
<u>San Francisco</u>					
# of Units Sold	962	1301		1,281	
Average # of Units Sold per Month -	80.17	108.42		106.75	
Average Sale Price	\$22,400	\$232,900	4.72%	\$271,300	16.49%
<u>Central North Area</u>					
# of Units Sold	60	119		90	
Average # of Units Sold per Month	5.00	9.92		7.50	
Average Sale Price	\$164,100	\$189,000	15.17%	\$211,000	11.64%

This data indicates that within the subject's central north market area, an average of 7.5 condominium units per month were sold (and closed escrow) at an average price of \$211,000 during 1989. This compares to 9.92 units per month at an average price of \$189,000 during 1988 and five units per month at an average of \$164,100 per unit for 1987. This data suggests general improving market conditions for condominiums from 1987 to 1988, but a market slow down from 1988 to 1989. The change of appreciation in market value in average condominium unit prices of 15.17% from 1987 to 1988 to 11.64% from 1988 to 1989 also supports this trend.

It should be noted that although the above data provides a valuable historical perspective, this data represents an average condominium unit and may not be representative of units that the market may be recognized as more appealing. In other words, this data is not property specific.

In order to correct deficiencies inherent in this type of average unit sales analysis, we have surveyed several projects of newly constructed condominium developments within the subject's market area. Due to the nearly 100% built-up status of the area, new developments are scarce and the number of units within the project is relatively small as a result of the limited parcel size. Our survey indicated the following absorption data:

<u>Address</u>	<u>Price Range of Units</u>	<u># of Units in Project</u>	<u>Time Period</u>	<u>Total Sold</u>	<u>Monthly Absorption Amount</u>
1. 20-40 Beidman Court	\$189,000 to 195,000	11	7/1/89 to 7/31/89	7	7
2. 1930 Eddy Street	\$187,500- 275,000	15	7/89- 9/15/89	12	8
3. 426 Fillmore Street	\$173,000- 265,000	3	3/16/89- 3/23/89	3	12

Although the number of units in these competing developments are smaller than the subject's proposed 54 units, we have verified that the quality and amenities offered at these projects have similar market appeal to those offered at Alamo Plaza. The competing projects surveyed show a more affordable unit pricing structure. However, these units are generally smaller than the average unit size of 1,398 square feet offered at Alamo Plaza.

The subject is expected to compete favorably in the market place with smaller size units that are offered below the price range of the subject units. This belief is concluded after discussions with local real state brokers indicate a high demand for the

larger size units. These larger size units were reported to be more conducive for equity sharing among owners, thereby reducing the overall cost of housing expenses.

Considering the absorption of competing units and the average absorption data published by the San Francisco Association of Realtors, we project an absorption of eight units per month with six presales. Marketing time is estimated at six months.

DEVELOPMENT COST ESTIMATE

The development cost for the subject property consists of the sum of the Fair Market Value of the land plus the probable construction cost expected over the concluded absorption time, including direct costs, and indirect costs.

Land Value - The subject land has been valued as if vacant and available for development to its highest and best use. We have researched the marketplace for sales of land having multi-family residential use and have compared these sales to the subject property. A location map and summary of land sales are provided in the following pages. Also included is a grid quantifying the below described adjustments, displayed as Exhibit E.

The unit of comparisons considered for all the comparables is the sale price per unit and sale price per square foot of allowable building size (FAR). Also included is an analysis of the price per land unit as a percentage of the total finished residential unit value. Adjustments to the comparables were considered for such factors as location, allowable or planned number of units, time of sale, zoning and topography/shape of parcel. A discussion of the comparables follows.

Comparable No. 1 is a June, 1987 sale of a 18,906 square foot parcel which was purchased for intended construction of 8 three unit buildings. The site is located approximately three blocks



COMPARABLE LAND SALES MAP

REDC

Comparable Land Sales Summary
San Francisco, California
(File No. 106)

Comparable	Location	Sale Date	Land Area in Net Usable Square Feet/ Acres		Sale Price	Sale Price Per Square Foot	# Units Permitted or Proposed/ Density # Units Per Acre	Sale Price Per Unit	Price Paid Per Sq.Ft. of Maximum F.A.R.
			Zoning	Sale Price					
1	Southwest corner of Fell & Scott APN 1216-001	Jun-87	18,906 0.43	RH-3	\$ 575,000	\$ 30.41 55.30	24	\$ 23,958	16.90
2	965 Sutter & 840 Post Sts. Sep-87 APN 300/21&22		31,763 0.73	RC-4	2,950,000	92.88 396.34	289	10,208	19.35
3	Northwest corner of Laguna & Haight APN 392-0569	Apr-88	8,494 0.19	RM-2	370,000	43.56 71.80	14	26,429	24.20
4	2262-2265 Bush Street between Fillmore & Steiner APN 678-22	Aug-88	3,781 0.09	NC-3	415,000	109.76 69.12	6	69,167	30.49
5	1927 Hayes Street APN 1210-036	Jul-88	5,760 0.13	RH-3	435,000	75.52 52.94	7	62,143	41.96
6	370 Waller Street APN 0859-032	Dec-88	7,398 0.17	RH-3	300,000	40.55 29.44	5	60,000	22.53
7	1100 Eddy Street APN 028-735	Pending	61,169 1.40	R4/R5	6,500,000	106.26 49.14	69	94,203	29.52
	SUBJECT		41,426 0.95	RH					

Source: Real Estate Decisions Company, Inc.
San Francisco, California
Lotus, F89168

southwest from the subject site in a similar residential area. After an upward time adjustment downward adjustments were made for a level overall site and a lower number of planned units. Reportedly, no approvals for building were involved at time of sale. Anticipated price per tri-plex was \$550,000 or \$183,333 per unit, indicating a 13% land to finished product ratio.

Comparable No. 2 at \$10,208 per unit is a site that extends from Sutter to Post streets, between Hyde and Leavenworth streets. There are two nine-story buildings on this property. The site has a mid-block location and will house 285 apartment units and approximately 1,800 square feet of ground floor retail space. Upward adjustment is warranted for time of sale. This comparable has a superior location and a downward adjustment to sales price is warranted. An additional downward adjustment is required for its superior zoning which allows some retail use. However due to its much larger number of planned units, an upward adjustment is made.

Comparable No. 3 is an 8,494 square foot site which has just been constructed with a fourteen unit condominium project. No offers for purchase have been accepted at the time of this report, as developer is awaiting final building inspection. Reportedly, before construction this site was used as a garden. finished unit prices will range from \$175,000 to the mid \$200,000's. After a time adjustment, a downward adjustment is required for its smaller number of planned units. According to listing agent

no building approvals were in place prior to sale. The land to finished product ratio ranges from 10.6% to 15%.

Comparable No. 4 is located on Bush Street between Fillmore and Steiner streets approximately 10 blocks north of subject site. A six unit condominium project is being constructed on this site. As compared to the subject, this site is located in a generally superior area but the street is used as a major morning rush hour commute route and the site is adjacent to an auto service station. Both of these factors are considered to offset the other. After an upward time adjustment downward adjustments are required for this site's superior zoning, level topography and smaller number of planned units. Reportedly, the sale price included complete plans and permits for the six unit building currently under construction. The developer plans to market units between \$250,000 to \$360,000.

Comparable No. 5 is located one block north of the "Pan Handle" leading to Golden Gate Park. A seven unit building has been built on the site representing \$62,143 per unit. No approvals were obtained prior to sale. As compared to the subject, level topography and a smaller number of planned units require downward adjustments. A time adjustment was the only upward adjustment. In August of 1989, the newly constructed seven unit building sold for \$1,800,000 or \$257,143 per unit. Percentage of unit land price to finished product is therefore 24%.

Comparable No. 6 is a five unit site on Waller Street approximately six blocks south of the subject site. Similar to the subject site, this is a inside lot with no commercial possibilities. After an upward time adjustment, downward adjustments are warranted for level topography and smaller number of planned units. All five condominium units have subsequently sold between \$260,000 to \$325,000. Percentage of unit land price to finished product is respectively between 18.5% to 23.0%.

Comparable No. 7 is the most recent transaction and as of the date of this report was still an open escrow. This site was purchased reportedly with all development approvals, plans, and a subdivision map for the intended construction of 69 residential units consisting of a three story, nine unit residential building, and 15 three story quadraplex buildings. This site consists of a 61,169 square foot "L" shaped corner parcel of land which is currently improved with a vacated supermarket.

Development plans call for the demolition of the existing structure and subdividing of the existing parcel into sixteen lots for residential development and one lot for vehicular ingress and egress to be shared between all sixteen lots. As compared to the subject, this site has a superior "Cathedral Hill" location in closer proximity to retail services and a higher quality of residential properties. An additional downward adjustment is required for its near level topography. Adding a reasonable developer's profit onto the estimated developer's direct and

indirect construction costs results in an estimated retail unit price of \$265,000. Therefore percentage of unit land price to finished unit is 35.5%.

Before adjustments the comparables range in price per unit from \$10,208 to \$94,203. After adjusting the comparable for date or sale, location, zoning, topography, and planned number of units, a narrower range of \$22,508 to \$75,362 results.

In analyzing the comparable land transactions, a discernible trend toward higher prices over time is evident. This is attributed to the added momentum redevelopment has given this area over the last several years. Accordingly, we have placed most consideration on Comparable No. 7. However, a greater number of units could have been developed on this site under the San Francisco Redevelopment Agency's guidelines and price paid per unit is considered rather high and not a reliable indicator of value. In this case the per square foot of FAR is more reliable.

Given this analysis and reconciling with the value indicators of Comparables Nos. 4, 5, and 6 of between \$42,167 to \$46,117, we are of the opinion a reasonable value indicator for the subject is \$50,000 per unit and a value of \$24.00 per square foot of maximum building area. Based on the developments requirements by the San Francisco Redevelopment Agency for a 54 residential condominium project, we have calculated the subject's land value as follows:

54 Units x \$50,000 per Unit = \$2,700,000

* 113,554 Sq. Ft. x \$24.00 per Sq. Ft. = \$2,725,296

* Building Area includes garage space of 29,088 square feet, 9,000 square feet for the senior citizens daycare facility and 75,466 square feet of net saleable area.

Therefore, based on the above data and conclusions, we estimate the market value in an "as is" condition of the land and subject to the development requirements as of January 20, 1990 to be:

**TWO MILLION SEVEN HUNDRED THOUSAND DOLLARS
(\$2,700,000)**

As a check against the value concluded by the per unit and the per square foot of maximum building area (FAR), we have analyzed the price paid per land unit as a percentage of finished unit price for each comparable. This technique is based on both the unadjusted and adjusted per unit value indicators. A summary of these percentages are as follows:

Comparable	Unadjusted Unit Price	Adjusted Unit Price	Finished Unit Price	Percentage of Unit Land Price to Finished Unit Price	
				Unadjusted	Adjusted
1.	\$23,958	23,958	\$183,333	13%	13%
2.	10,208	22,508	NA	NA	NA
3.	26,429	24,667	\$175,000 to 250,000	10.6 to 15.0%	10 to 14%
4.	69,167	43,748	\$250,000 to 360,000	19.0 to 27.5%	12.0 to 17.5%
5.	62,143	46,224	257,143	24%	18%

Comparable	Unadjusted Unit Price	Adjusted Unit Price	Finished Unit Price	Percentage of Unit Land Price to Finished Unit Price	
				Unadjusted	Adjusted
6.	60,000	43,224	\$260,000 to 325,000	18.5 to 23.0%	13 to 17%
7.	94,203	75,362	\$265,000	35%	28.5%
Subject	50,000		\$290,000 (Avg)	17%	NA

In summary, percentages of unit land value to finished unit value based on the unadjusted unit value ranges from 10.6% to 35.0%. Based on an adjusted unit land value, a narrower range between 10.0% and 28.5% results. In this type of analysis, least consideration is given to Comparable No. 7 due to the under development of units allowed on this site.

Our concluded per unit land value for subject of \$50,000 represents 17% of our concluded average finished unit value of \$290,000. This percentage is well supported by the percentages of the balance of comparables (Nos. 1 to 6) which range from 10% to 24%.

Construction Costs - Direct costs were estimated by reviewing the developer's cost breakdown and other similar developments in the surrounding area as well as viewing published cost data provided by Marshall-Swift Construction Cost Valuation Service. A copy of the developer's cost breakdown is included as Exhibit F.

Our cost approach assumes simultaneous construction for both Phase I and Phase II. Conversations with the developer revealed

plans for initial construction of the garage area. This area spans the entire site and a considerable cost would be necessary to accomplish this, which would in turn benefit both Phases of construction. For this reason, it would be difficult to differentiate costs between phases attributable to this improvement. Indirect costs were estimated based on information supplied by the applicant and on industry standards for multi-family construction.

Construction loan interest is applied at twelve percent to the average outstanding loan balance. Construction time is estimated at eighteen months. Time to complete sales is estimated at six months based on an absorption rate of eight units per month with a presale of six units. The construction loan is, therefore, assumed to be outstanding for twenty four months.

The construction loan is estimated at \$12,530,000 based on eighty percent of the retail sales value of \$15,663,000. The average estimated loan balance is \$6,265,000 or fifty percent of the loan amount. The construction loan fee and permanent loan fee are based respectively on 2.0% and 2.0% of the average loan balance. Architecture/engineering, fees & permits, legal/accounting, and taxes/bonds & insurance were obtained from the developer's cost breakdown. Sales expense, including commissions, advertising, escrow, and closing costs, and title insurance, is estimated at five percent of Retail Value.

Interim Home Owner Association fee is estimated at \$150.00 per month per unit on fifty percent of the units for six months. A contingency of ten percent of direct costs is also included. A credit of \$400,000 is made in our Cost Approach to reflect the sale of the senior citizens daycare facility. The cost to construct this daycare facility is included in the developer's cost estimate. Since the sale proceeds of the daycare facility are considered a source of revenue, this amount is credited in the below Cost Approach. For the Cost Approach, we have based all costs on our concluded Retail Valuation.

Our analysis indicates the total cost of construction as follows:

Direct Costs

Buildings & Garage (from developer's budget)	\$6,872,000
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Indirect Costs

Construction Loan Interest	\$1,503,600
Permanent Loan Fee (2%)	250,600
Construction Loan Fee (2%)	250,600
Architectural/Engineering	300,000
Sales Expense (5%)	783,000
Legal/Accounting>Title	35,000
Real Estate Taxes/Ins./Bonds	110,000
Permits and Fees	325,000
Homeowner Association Fees	24,300
Contingency (10%)	<u>687,200</u>
Total Indirect Costs	\$4,269,300
Credit from Sale Proceeds from Daycare Center Facility	(400,000)
Total Reproduction Costs - New	\$10,741,300
Add: Land Value	2,700,000
TOTAL PROJECT COSTS (excluding developer's profit)	\$13,441,300
	\$11,159,800
say,	\$13,440,000
	\$11,160,000

The total project cost before developer's profit based on its Fair Market Value on the land is \$13,440,000. The Redevelopment Sales Agreement sells the land at a below market rate. However, the conditions of the agreement require an additional fee determined to be 50% of the sale proceeds in excess of adjusted cost. An excerpt regarding this clause is included as Exhibit G.

We have adjusted the total project cost excluding developer's profit expressed on an actual cost basis to account for specific requirements of the Redevelopment Agreement. Calculations are as follows:

Total Project Costs (excluding developer's profit)	\$11,160,000
Plus Sale Proceeds from Senior Citizen Center	400,000
* Less Allocated Cost of Senior Citizen Center	(500,000)
Allocated Development Cost	\$11,060,000
Load Factor (20%)	<u>1.20</u>
Adjusted Cost	\$13,272,000
 Gross Retail Value	\$15,663,000
Less Adjusted Cost	<u>13,272,000</u>
Sales proceeds in Excess of Adjusted Cost	2,391,000
Percentage Formula	<u>0.50</u>
Redevelopment Agency Fee	\$1,195,500
 Total cost (before developer profit)	\$11,160,000
Redevelopment Agency Fee	<u>1,195,500</u>
Cost after redevelopment Agency fee (before developer profit)	\$12,355,500
 * Allocated cost of 9,000 square feet at \$55 per square foot, rounded.	

The cost after additional redevelopment fees (before developer's profit) totals \$12,355,500. This compares to the total project cost on a Fair Market basis of its land of \$13,440,000. The analysis results in an imputed equity in the land due to the redevelopment Agreement of \$1,084,500.

Project Feasibility Summary - The gap between the concluded Retail Value of \$15,663,000 and the total of all development costs excluding developer's profit, of \$12,355,500 is a measure of project feasibility. Our analysis indicates a gross profit margin of 26.8%, which is considered a very attractive investment return for this type of property. This profit margin is based on land at cost and is subject to the requirements of the Redevelopment Agreement.

DISCOUNTED CASH FLOW ANALYSIS

We have restated our Retail Value conclusions consistent with our understanding of the discounting requirements of lending institutions. Our analysis considers the value of the bulk inventory as if all construction is complete before any individual unit sales have begun. The resulting Present Value is an estimate of the projected Bulk Value as if the project were sold upon physical completion (18 months in the future).

We have concluded the Retail Value for the subject's gross sales as of January 20, 1990. Absorption is estimated at eight units per month after a eighteen month construction period. Presales are estimated at six units. We will, therefore, discount the cash flows of the unit sales over a six month sales period.

Cash flows reflect a deduction for all items of expense including marketing and sales, general and administrative, real estate taxes, and common area and homeowner's dues. In addition, developer's profit is estimated relative to typical profit ratios experienced by projects of similar risk assuming construction is complete and only marketing risk remains.

Cash flows are discounted to arrive at a present value indication for the unsold units currently in inventory. We have selected a discount rate of twelve percent, which approximates our estimate of the developer's cost of capital to complete the project.

Our analysis indicates a eighteen month construction period for both phases of construction. We have escalated our base unit sale prices at 6.5% to account for this time frame.

Detail regarding our analysis is provided on the following pages. A summary of the resulting present value conclusions is as follows:

<u>Period (Months)</u>	<u>Income</u>	<u>Discount Rate @ 12% *</u>	<u>Present Value</u>
0	\$2,720,868	1.0000	\$1,720,868
1	\$2,304,472	0.9901	\$2,281,658
2	\$2,307,800	0.9803	\$2,262,336
3	\$2,311,127	0.9706	\$2,243,179
4	\$2,314,454	0.9610	\$2,224,190
5	\$2,317,781	0.9515	\$2,205,368
6	\$2,321,108	0.9420	\$2,186,484
	Total Value		\$15,124,083
	Rounded to		\$15,124,000

* Present value factor at 12% monthly compounding.

The discount analysis provides an index of the security of the construction loan and does not reflect the Investment Value of the project as of a current date.

DISCOUNTED CASH FLOW GUIDELINES AND COMMENTS

Project: Alamo Plaza

Location: San Francisco

Total Number of Units: 54 Condominiums

Time Period:

Time Period 0

Presales are accounted for in this column.

Time Period 1

Start of absorption.

No./Units sold:

Based on closed escrows only and the estimated rate of absorption at eight units per month.

Average Selling Price:

This category serves principally as an aid in accounting for all properties in the project to be sold and calculating Real Estate Tax and HOA expenses.

Average Selling Price:

The average selling price of the units sold in each period equates to the average market (appraised) value of unit(s), adjusted for appreciation.

Appreciation Assumption:

We project a six and one half percent annual sales price appreciation until completion of construction.

Total Revenue:

Based on No./Units x Avg. selling price.

Expense:

Marketing & Sales

Percentage used reflects the effort required to achieve the absorption rate estimated. Marketing and sales expenses include sales commissions, sales brochures, advertising costs, closing costs paid by the seller, and any other costs, except buydown financing, necessary to make and close sales. Marketing and sales is estimated at three percent of gross sales based on using on-site sales personnel.

General & Administrative

The category of General and Administrative (G&A) covers all overhead and management - the developer's office expenses, financing costs for model units, accountants, the management staff along with supporting clerical

and secretary, field supervision personnel, insurance premiums, travel and vehicle expense, and other expenses. This item is estimated at a percent of gross sales.

Real Estate Taxes

This expense represents, on an annual basis, one percent of the value of the average unsold units and one half percent of the total revenue for the period. The expense is then allocated monthly.

CAM/HOA Expenses

This expense represents the sum of the CAM/HOA fee per unit x no. of units unsold and half the CAM/HOA fee per unit x no. of units sold. This expense is estimated at \$150.00 per month per unit.

Buydown Financing

This cost of the buydown financing, is the difference between the face amount of the loan and the market value of the loan. Not applicable within the project.

Total Expenses:

Sum of above

Net Sales Revenue:

Total Revenue less Total Expenses

Profit:

Profit reflects the risk in the project. Currently, profit for standing inventory should generally be within a range of five to twelve percent of total revenue. In certain high risk projects where the product is not suited for the market and is high end pricing, a profit up to twelve percent may be required. Our analysis estimated a required profit of five percent based on fast turnover of standing inventory.

Net Cash Flow:

Net Sales Revenue less Profit.

DISCOUNTED CASH FLOW ANALYSIS

Project: Aliso Square
 Location: San Francisco, California
 Total No. of Units: 54 Condominium Units

Item	Period 0	Period 1	Period 2	Period 3	Period 4	Period 5	Period 6
No. Units Sold	6	8	8	8	8	8	8
No. Units Unsold	48	40	32	24	16	8	0
Avg. Selling Price	\$319,862	\$319,862	\$319,862	\$319,862	\$319,862	\$319,862	\$319,862
Total Revenue							
	\$1,914,372	\$2,552,496	\$2,552,496	\$2,552,496	\$2,552,496	\$2,552,496	\$2,552,496
Expenses							
Marketing & Sales	\$57,401	\$76,575	\$76,575	\$76,575	\$76,575	\$76,575	\$76,575
General & Administration	\$19,144	\$25,525	\$25,525	\$25,525	\$25,525	\$25,525	\$25,525
Fair Deatax Taxes	\$10,558	\$11,699	\$9,572	\$7,445	\$5,318	\$3,191	\$1,064
HOA Expenses	\$7,650	\$6,682	\$5,482	\$4,282	\$3,082	\$1,882	\$682
Debt Financing	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Expenses	\$77,785	\$108,399	\$117,672	\$117,745	\$118,418	\$107,292	\$103,783
NET SALES REVENUE	\$1,836,587	\$2,442,897	\$2,435,424	\$2,433,781	\$2,442,073	\$2,445,426	\$2,446,733
Profit & Loss	\$95,719	\$127,625	\$127,625	\$127,625	\$127,625	\$127,625	\$127,625
NET CASH FLOW	\$1,720,868	\$2,304,472	\$2,307,828	\$2,311,157	\$2,314,424	\$2,317,751	\$2,321,128

Discount Factor:

The method of rate selection is to assume all funds borrowed and discount at the developer's cost of capital, i.e., prime rate plus risk rate of project (1%-3%).

e.g. Prime	10.50%
Risk Rate	1.5%
Discount Rate	12.00%

Rates are compounded monthly.

Reconciliation of Value

The subject property has been analyzed from its cost perspective and by comparison to sales of other similar developments. The appraisal process developed following indications of value:

Cost Approach: \$12,355,500 (Before Developer's Profit and with Land at cost and subject to the Redevelopment Agreement)

Market Data Approach: \$15,663,000 (Gross Retail Market Value as of January 20, 1990)

Discounted Value
(18 months in
the future) \$15,124,000

The Cost approach involved an analysis of land sales data in order to arrive at a market value estimate for raw land. The direct and indirect costs were based upon a comparison of information provided by the client and cost data from recognized sources.

The Market Data Approach utilized a total of eleven recent condominium comparables. Comparison was made based on the relationship of negative and positive factors relative to the

comparables versus the subject homes and an analysis of price per square foot.

The variance between the Gross Retail Value upon completion derived from the Market Data Approach (\$15,663,000) and the estimated cost (\$12,355,500) is an indication of the profitability and feasibility of the project. Based on our cost estimate and Gross Retail Value, profitability is indicated at 26.8%.

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E X H I B I T S

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CERTIFICATION

It is hereby certified that:

1. This report has been made in conformity with and is subject to the requirements of the Code of Ethics and Standards of Professional Conduct of the American Institute of Real Estate Appraisers.
2. This report sets forth all of the limiting conditions affecting the conclusions it contains.
3. No persons other than those acknowledged in the Letter of Transmittal have prepared the analyses, conclusions and opinions concerning real estate set forth in this report.
4. All facts and data set forth in this report are true and accurate to the best of my knowledge and belief. The appraisal is based upon the assumption that data which is of public record or which has been secured through interviews from owners, agents, or other informed persons are true and correct.
5. The fee for the appraisal is not contingent upon the values reported.
6. I have no personal interests or bias with respect to the subject matter or the parties involved in the appraisal.
7. I have no present or contemplated future interest in the property appraised.
8. I have personally inspected the property referred to in this report.
9. The appraiser will not be required to give testimony or appear in court because of having made this appraisal, with reference to the property in question, unless arrangements have been previously made.
10. The American Institute of Real Estate Appraisers conducts a voluntary program of continuing education for its designated members. MAI's and RM's who meet the minimum standards of this program are awarded periodic educational certification.

February 14, 1990



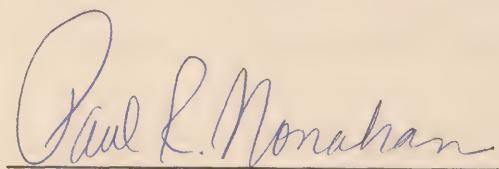
Alex D. Francois, MAI

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2. This report sets forth all of the limiting conditions affecting the conclusions it contains.
3. No persons other than those acknowledged in the Letter of Transmittal have prepared the analyses, conclusions and opinions concerning real estate set forth in this report.
4. All facts and data set forth in this report are true and accurate to the best of my knowledge and belief. The appraisal is based upon the assumption that data which is of public record or which has been secured through interviews from owners, agents, or other informed persons are true and correct.
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6. I have no personal interests or bias with respect to the subject matter or the parties involved in the appraisal.
7. I have no present or contemplated future interest in the property appraised.
8. I have personally inspected the property referred to in this report.
9. The appraiser will not be required to give testimony or appear in court because of having made this appraisal, with reference to the property in question, unless arrangements have been previously made.

February 14, 1990



Paul R. Monahan

QUALIFICATIONS OF ALEX D. FRANCOIS, MAI**Education**

B.A. - DePaul University
Chicago, Illinois
1968 (Psychology/Statistics)

M.B.A. - University of Oregon
Eugene, Oregon
1971 (Real Estate and Urban Economics)

Real Estate Experience

Real Estate Analyst and Consultant
Real Estate Decisions Company, Inc.
200 California Street, 6th Floor
San Francisco, California 94111

Consultations and appraisals in 40 states and Canada include:

Economic and Feasibility Studies
Housing Studies
Trade Area Analysis
Investment Analysis
Fair Market Value
Fair Rental Value
Liquidation and Condemnation Valuations

Qualified as expert witness on real estate matters in Superior Court, County of San Francisco.

Type properties analyzed include:

Office buildings, shopping centers, medical facilities, conventional and drive-in theaters, bus and truck terminals, filling stations, franchise outlets, warehouses, factories, townhouses, apartments, condominiums, motel and student housing projects.

Clients include:

Federal, state and local agencies, national and local corporations, investors, developers, lenders, attorneys, hospitals, research corporations.

1965-1980 - Related experience includes:

Assistant Vice President and Manager,
Real Estate Services
The American Appraisal Company
San Francisco, California

Market Research and Leasing Agent
Kassuba Development Company
Chicago, Illinois

Real Estate Broker
Rams Realty, Inc.
Eugene, Oregon

Instructor of Real Estate
State of Oregon
Department of Continuing Education
University of Oregon
Eugene, Oregon

Professional Affiliations

(MAI) Member of the American Institute of Real Estate Appraisers
Certificate #6205

(FCA) Member of the American Institute of Corporate Asset Managers
Member of the Urban Land Institute
FNMA Class II - #1180731

QUALIFICATIONS OF PAUL R. MONAHAN

Education

B.S. - Arizona State University
Tempe, Arizona
1976 (Business Administration)

Loyola University
New Orleans, Louisiana
1971-1973 (Psychology & Business Administration)

AIREA Courses	Basic Valuations
	Real Estate Appraisal Principles
	Professional Practice Standards
	Capitalization Theory - Parts A & B
	Case Studies
	Electronic Spreadsheet Analysis
	Valuation Analysis & Report Writing

City College of San Francisco
Real Estate Appraisal Principles
Real Estate Finance
Tax Aspects of Estate

University of California, Berkeley
Real Estate Investment Analysis

Real Estate Experience

Senior Analyst
Real Estate Decisions Company, Inc.
200 California Street, 6th Floor
San Francisco, California 94111

Commercial Staff Appraiser
American Appraisal Associates, Inc.
Walnut Creek, California

Associate Commercial Appraiser
Real Estate Research Corporation
San Francisco, California

Senior Appraiser
Residential Research Corporation
San Francisco, California

Real Estate Sales
Century 21 - Ed Russo & Associates
Sacramento, California

Professional Affiliations

MAI Candidate - American Institute of Real Estate Appraisers

LIMITING CONDITIONS AND GENERAL UNDERLYING ASSUMPTIONSLimiting Conditions:

1. Possession of this report, or a copy thereof, does not carry with it the right of publication. It may not be used for any purpose by any person other than the party to whom it is addressed without the written consent of the appraiser, and in any event only with proper written qualification and only in its entirety.
2. The distribution of the total valuation in this report between land and improvements applies only under the reported highest and best use of the property. The allocations of value for land and improvements must not be used in conjunction with any other appraisal and are invalid if so used.
3. Neither all nor any part of the contents of this report, or copy thereof, shall be conveyed to the public through advertising, public relations, news, sales or any other media without consent and approval of the appraiser. Nor shall the appraiser, firm, or professional organization of which the appraiser is a member be identified without written consent of the appraiser.

General Underlying Assumptions

1. The legal description used in this report is assumed to be correct.
2. No survey of the property has been made by the appraiser and no responsibility is assumed in connection with such matters. Sketches in this report are included only to assist the reader in visualizing the property.
3. No responsibility is assumed for matter of a legal nature affecting title to the property nor is an opinion of title rendered. The title is assumed to be good and marketable.
4. All mortgages, liens, encumbrances, leases, and servitudes have been disregarded unless so specified within the report. The property is appraised as though under responsible ownership and competent management.
5. It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures which would render it more or less valuable. No responsibility is assumed for such conditions or for engineering which may be required to discover such factors.

6. It is assumed that there is full compliance with all applicable federal, state and local environmental regulations and laws unless non-compliance is stated, defined and considered in the appraisal report.
7. It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless a non-conformity has been stated, defined and considered in the appraisal report.
8. It is assumed that all required licenses, consents or other legislative or administrative authority from any local, state or national governmental or private entity or organization have been or can be obtained or renewed for any use on which the value estimate contained in this report is based.
9. It is assumed that the utilization of the land and improvements is within the boundaries or property lines of the property described and that there is no encroachment or trespass noted within the report.

7

AGREEMENT FOR PURCHASE AND SALE OF
REAL PROPERTY

This Agreement for Purchase and Sale of Real Property ("Agreement") is entered into between ALAMO PLAZA DEVELOPMENT PARTNERS, a California limited partnership ("APP") and Western Addition Senior Citizens Service Center, a California non-profit corporation ("WASCC").

R E C I T A L S

A. APP has obtained the exclusive rights to negotiate with the Redevelopment Agency of the City and County of San Francisco (the "Agency") with respect to that certain parcel of unimproved land described on Exhibit A and incorporated by reference ("Fulton Parcel").

B. WASCC has obtained the exclusive rights to negotiate with the Agency with respect to that certain parcel of unimproved land described on Exhibit B and incorporated by reference ("McAllister Parcel").

C. APP desires to acquire, and WASCC is willing to assign, the exclusive rights regarding the McAllister Parcel.

D. APP desires to acquire the Fulton Parcel and the McAllister Parcel from the Agency and to merge those parcels into one parcel (the "Site").

E. APP intends to develop, construct and sell at the Site a Common Interest Development, as defined by California Civil Code Section 1351, (the "Development") that contains residential dwelling units ("Residential Project").

F. APP will, in accordance with the terms and conditions of this Agreement, include within the Development, in addition to the Residential Project, those improvements within which WASCC can conduct WASCC's operations (those improvements, and all rights appurtenant thereto, hereinafter referred to as the "Facility").

G. APP desires to sell, and WASCC desires to buy, the Facility in accordance with the terms and conditions of this Agreement.

NOW THEREFORE, the parties agree as follows:

I. Assignment of Exclusive Rights to McAllister Parcel. WASCC shall, concurrently with WASCC's execution of this Agreement, assign to APP all of WASCC's right, title and interest in and to the McAllister Parcel, including, without limitation, WASCC's exclusive rights to negotiate with the Agency for the purchase by APP of the McAllister Parcel. WASCC shall execute any and all documents as APP may reasonably require to evidence this assignment and WASCC shall cooperate with APP in obtaining the consent to this assignment of any person or entity whose consent may be required.

2. Construction of the Facility.

(a) APP shall construct the Facility at APP's cost and expense. The Facility shall be of a size, design, and configuration as described on that conceptual narrative and drawing dated ~~July 1988~~ prepared by Tanner & Vandine Architects, a copy of which is attached as Exhibit C and incorporated by reference ("Preliminary Drawing"); provided, however, that the Facility shall not include, and APP shall have no obligation to construct, any portion of the Facility's interior other than as shown on the Preliminary Drawing as modified by mutual agreement of the parties. WASCC consents to and approves, and shall acknowledge such approval in writing as may be requested by APP from time to time, any changes in the size, design, and/or configuration of the Facility as may from time to time be proposed and/or required by Tanner & Vandine Architects, the Agency and/or any other governmental agency whose approval is required. Notwithstanding the preceding, WASCC shall not be required to consent to and/or approve any changes to the size, design, or configuration which results in the Facility having less than ~~7,000~~ ^{4,400} gross square feet of "Program Area", as defined by Tanner & Vandine Architects, exclusive of garage, garden and terrace areas, nor any changes that would result in the Facility not being in compliance with applicable Federal and/or state law guidelines for senior citizen centers.

(b) No less than ten (10) days prior to the date APP is required to submit Construction Documents to the Agency, APP shall submit such Construction Documents to WASCC. Provided the Facility shown in the Construction Documents complies with Paragraph 2(a), WASCC shall acknowledge in writing that the Facility shown on the Construction Documents, including, without limitation, the Final Construction Documents, is acceptable to WASCC. WASCC's approval of such Final Construction Documents shall conclusively establish the size, design, configuration and quality of the Facility that APP is required to construct and that WASCC is required to purchase.

3. Subdivision of the Property. APP shall use its best efforts to "subdivide" the Site in a manner so that the Facility is separate and distinct from the Residential Project. To the fullest extent possible, the Declaration shall provide that, as among the owner of the Facility and the owner(s) of the Residential Project, assessments, whether regular or special, attributable solely to the Facility or the Residential Project, shall be the obligation of the respective owner(s) of the Facility and the Residential Project, all utilities will be separately metered as between the Residential Project and the Facility, and that, except for the underlying land, the utilities connections, a common wall(s) between the Residential Project and the Facility, and the ceiling/floor between the Facility and the Residential Project, the common areas attributable to the Residential Project and the Facility shall be separate and distinct.

4. Sale of the Facility. APP shall sell, and WASCC shall buy, the Facility in accordance with the following:

(a) the purchase price shall be \$400,000 ("Purchase Price") which shall be payable entirely in cash ("Cash Payment");

(b) acceptable title to the Facility shall be evidenced by a CLTA standard coverage policy of title insurance, in the amount of the Purchase Price, showing title to the Facility vested in WASCC subject only to the standard printed exceptions of

such a title insurance policy, real estate taxes, a lien not yet due and payable, easements of record, the Redevelopment Plan recorded by the Agency on July 21, 1986, November 23, 1970 and August 13, 1976; the Declaration of Restrictions recorded by the Agency on December 13, 1966; the Declaration for the Development, and such other exceptions, liens or encumbrances to, or on, title as WASCC may accept;

(c) WASCC's obligation to purchase the Facility shall be conditioned upon the occurrence, or waiver by WASCC, of the following events, which if they do not occur, or are not waived, APP will be released from its obligation to sell, and WASCC will be released from its obligation to buy, the Facility:

(1) The Facility shall be completed on or before June 1, 1990.

(2) Within ten (10) days from WASCC's receipt of the Construction Documents in accordance with Paragraph 2(b), WASCC shall approve the Facility as shown on such Construction Documents, such approval to not unreasonably be withheld.

(d) APP's obligation to sell the Facility shall be conditioned upon the occurrence, or waiver by APP, of the following events, which if they do not occur, or are not waived, APP will be released from its obligations to sell, and WASCC will be released from its obligation to buy, the Facility:

(1) On or before September 1, 1988, APP shall enter into an agreement with the Agency for the development of the Site; such agreement to be on terms and conditions acceptable to APP;

(2) On or before October 1, 1989, APP shall obtain all necessary governmental approvals, including the Agency's approval, for the Development;

(3) On or before November 15, 1989, APP shall obtain, from a lender(s) acceptable to APP, a loan commitment for a loan in an amount, and upon terms, acceptable to APP to pay for no less than 90% of Development Costs.

(4) On or before November 15, 1989, APP shall have received from potential investors subscriptions for capital contributions in an amount of no less than \$1,000,000.

(5) On the date that APP intends to close the loan referred to in Paragraph 4(d)(3), WASCC shall have in place funding in an amount sufficient to pay the Cash Payment.

(6) On or before the date that APP intends to commence the Development's construction, there shall have been no material, adverse change in the Development Costs, the laws, statutes, rules and regulations applicable to the Development, market conditions with respect to the Residential Project, or any other matter that, in APP's reasonable judgment, would cause the Development to be financially unfeasible.

(e) APP shall not be required to, and shall not, make any representations, express or implied, with respect to the Facility. WASCC shall accept, and APP shall convey, the Facility on an "AS-IS" basis. In consideration of this, APP will assign to WASCC at the close of escrow all of APP's rights arising from warranties given by any architect, engineer, contractor, subcontractor, or supplier with respect to the Facility. WASCC shall have ten (10) days to inspect the Facility from the date that the architect designated by APP as the project architect issues such architect's certificate that APP has completed APP's obligations with respect to the construction of the Facility. WASCC shall retain an independent representative to inspect the Facility. WASCC shall be deemed to have relied solely upon such inspection. If WASCC, on or before the expiration of this ten (10) days, fails to deliver written notice to APP that the Facility has not been constructed in accordance with the Final Construction Documents, and any approved modifications, it shall be conclusively presumed that the Facility has been constructed in accordance with the Final Construction Documents, and any approved modifications. If, as a result of such inspection, WASCC determines that the Facility has not been constructed in accordance with the Final Construction Documents and any approved modifications, WASCC is required to deliver to APP a written notice which states the amount WASCC claims should be offset against the Purchase Price. If APP agrees with the specified amount of the offset, the sale of the Facility shall close subject to the offset, the Facility shall be conveyed "AS-IS", and such an accord and satisfaction shall fully and completely settle any claim that WASCC may have that the Facility was not constructed in accordance with the Final Construction Documents, and any approved modifications. If the parties cannot agree upon the amount of the offset prior to the close of escrow, the matter shall be submitted to arbitration. Pending the resolution of the arbitration, the escrow shall close, but the escrow shall retain an amount equal to WASCC's estimate of the offset as specified in the notice. Once the arbitration determines the appropriate amount of the offset, the escrow shall disburse the amount so retained and this will fully and completely settle WASCC's claim that the Facility was not constructed in accordance with the Final Construction Documents, and any approved modifications. The parties acknowledge that the procedure specified in this Paragraph 4(e) is WASCC's exclusive remedy against APP with respect to any claim by WASCC that the Facility has not been constructed in accordance with the Final Construction Documents and any approved modifications.

(f) APP shall open an escrow with a title insurance company selected by APP on or before the delivery of the notice from the project architect described in Paragraph 4(e). Close of escrow shall occur no later than the date which is ten (10) business days after WASCC completes its inspection of the Facility as described in Paragraph 4(e); provided, however, that the close of escrow shall not occur until the appropriate governmental agencies, including the Agency, issue their appropriate certifications that APP has completed its obligations with respect to the Facility. WASCC may deposit the Cash Payment with the escrow holder at any time, but in no event later than the date the escrow holder has in its control everything the escrow holder requires to close this transaction, except for the Cash Payment. WASCC shall have the right to have all, or any portion, of the Cash Payment disbursed to APP during the course of the Facility's construction. Any amounts so disbursed shall be credited against the Cash Payment required as of the close of escrow.

(g) Real Property taxes, water, sewer and utility charges and other expenses normal to the the operation and maintenance of the Facility shall be

prorated at 12:01 a.m. on the date the grant deed conveying the Facility is recorded on the basis of a 365-day year.

(h) APP and WASCC shall pay equally all escrow fees, recording costs and document preparation costs charged by the escrowholder, including the premium for the title insurance policy described in Paragraph 4(b). APP and WASCC shall pay equally any documentary transfer tax attributable to the conveyance of the Facility and any assessments against the Facility.

5. Valuation of Facility. As soon as APP has, to APP's satisfaction, determined the cost to construct the Facility, APP shall deliver to WASCC an executed certificate of value specifying such cost.

6. Construction Contracts. APP may, in APP's sole discretion, retain certain of its partners, or affiliates, to provide services with respect to the Development; provided, however, that the compensation payable to such parties is reasonable based on the services to be performed as determined in accordance with the current practice for Developments of similar size and type of construction in the City and County of San Francisco at the time the parties enter into such Agreements.

7. Definitions. As used in this Agreement, the following terms shall be defined as follows:

(a) "Construction Documents" and "Final Construction Documents" shall have the same meaning as in the form Agreement for Disposition of Land for Private Development prepared by the Agency.

(b) "Subdivide" shall mean the division of the Property as required by California Government Code Sections 66410 et. seq., the Subdivision Code for the City and County of San Francisco, and California Business and Professions Code Sections 11000 et. seq.

(c) "Declaration" and "Common Area" shall have the same meaning as in Civil Code Section 1351 et. seq.

(d) "Development Costs" shall mean any land costs, architects, engineers, attorneys, accountants, and other professional consultant costs, permit, license and other governmental fees, construction costs, interest expense, title insurance premiums, advertising, sales and marketing costs, development and overhead fees and any and all other costs and expenses reasonably incurred, or expected to be incurred by APP, with respect to the Development.

8. APP's Cooperation. At WASCC's request, APP shall use APP's reasonable efforts to assist WASCC to obtain funding which WASCC may need with respect to WASCC's obligation to pay the Cash Payment.

9. Lack of Funding. Within fifteen (15) days from APP's demand; provided, however, that such demand will not be made prior to the date that APP obtains the loan commitment described in Paragraph 4(d)(3), WASCC shall deliver to APP adequate assurances of WASCC's ability to pay the Cash Payment and to pay all costs and expenses WASCC would reasonably incur with respect to WASCC's completion of the

Facility's interior. As here used, "adequate assurances" means evidence acceptable to APP that WASCC will be able to pay the Cash Payment and the amounts necessary to complete the Facility's interior in a timely fashion; such acceptance to not unreasonably be denied. If WASCC fails or refuses to deliver the adequate assurances described above, the Agreement shall be terminated.

10. Arbitration. Any controversy or dispute arising out of or in any way related to this Agreement or its breach, shall be submitted to, and settled by arbitration including, but not limited to those matters described in Paragraph 4(e) and any controversy or dispute as to whether such matters should be submitted to arbitration. Such arbitration shall be conducted and held in accordance with the rules, existing on the date the dispute shall be so submitted, of the American Arbitration Association for commercial disputes. The meetings of the arbitrator(s) shall be held at San Francisco, California. The panel of arbitrators from which said arbitrators shall be selected shall be experienced in valuing real property. The provisions of California Code of Civil Procedure §1283.95 shall be incorporated into, and be applicable in, any such arbitration. The arbitrators shall have the power to grant equitable relief in addition to damages. The prevailing party in such arbitration, as determined by the arbitrators, shall be entitled to have any and all attorneys' fees, costs and fees arising from or related to the arbitration, paid by the other party(ies). Judgment may be entered on any award entered by the arbitrator(s) in any court having jurisdiction thereof.

11. Attorneys' Fees. If either party files any action or brings any proceeding against the other arising out of this Agreement, or is made a party to any action or proceeding brought by the escrow holder, then as between APP and WASCC, the prevailing party shall be entitled to recover from the other party, in addition to any other relief, reasonable attorneys' fees.

12. Governing Law. This Agreement and all rights and obligations created by it, shall be interpreted in accordance with the laws of the State of California.

13. Waiver. No waiver by a party of any provision of this Agreement shall be considered a waiver of any other provision, or any subsequent breach of the same or any other provision, including the time for performance of any such provision. The exercise by a party of any remedy, whether at law or equity, shall not prevent the exercise by that party of any other remedy that may be available.

14. Assignee. WASCC shall not be entitled to assign the benefits or delegate the duties created by this Agreement.

15. Binding. This agreement inures to the benefit of, and is binding on the parties and their respective successors and assigns.

16. Time. The parties acknowledge that time is of the essence.

17. Notices. All notices, requests, demands, and other communications under this Agreement shall be in writing and shall be deemed to have been given on the date of service if served personally on the party to whom notice is to be given, or on the second day after mailing if mailed to the party to whom notice is to be given, by first class mail, postage prepaid, and properly addressed as follows:

APP:

c/o Post Corporation
101 Park Place
P.O. Box 260
San Ramon, CA 94582

With copies to:

Wilson, Ryan & Campilongo
235 Montgomery Street, Suite 450
San Francisco, CA 94104

WASCC:

c/o Robert Reese
Frederick D. Hubbard
1390 1/2 Turk Street
San Francisco, CA 94115

With copies to:

Nicola E. Smith
774 San Luis Road
Berkeley, CA 94707

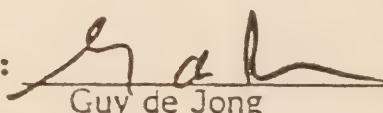
Any party may change its address for purposes of this paragraph by giving the other parties written notice of the new address in the manner set forth above.

18. Entire Agreement. This document contains the entire agreement between the parties and supersedes all prior discussions, negotiations, and agreements, whether oral or written. Any subsequent amendment, including an oral modification supported by new consideration, must be reduced to writing and signed by both parties before it will be effective.

Date: 7/27/84

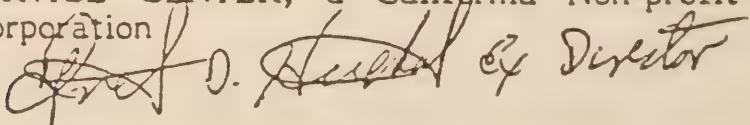
ALAMO PLAZA DEVELOPMENT PARTNERS,
a California Limited Partnership

By: Strawberry Development
Its: General Partner

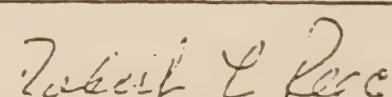
By: 
Guy de Jong
Its: General Partner

Date: July 27, 1984

WESTERN ADDITION SENIOR CITIZENS
SERVICE CENTER, a California Non-profit
Corporation


By: FREDERICK D. HUBBARD

Its: Executive Director


By: ROBERT L. REECE,
-7-
Its: Chairman of the

Board of Directors

APP-2(AGR)

Comparable Land Sales Adjustment Grid

Description	Comparable	Comparable	Comparable	Comparable	Comparable	Comparable	Comparable
	1	2	3	4	5	6	7
Sale Date	Jun-87	Sep-87	Apr-88	Aug-88	Jul-88	Dec-88	Pending
Square Feet	18,906	31,763	8,494	3,781	5,760	7,398	61,169
Price Per Square Foot (\$)	30.41	92.88	43.56	109.76	75.52	40.55	106.26
Price Per Unit (\$)	23,958	10,208	26,429	69,167	62,143	60,000	94,203
Price Per Square Foot of F.A.R. (\$)	16.90	19.35	24.20	30.49	41.96	22.53	29.52
 Sale Price (\$)	575,000	2,950,000	370,000	415,000	435,000	300,000	6,500,000
Financing Terms	all cash	all cash	all cash	all cash	all cash	all cash	all cash
Cash Equivalent Sale Price	\$575,000	\$2,950,000	\$370,000	\$415,000	\$435,000	\$300,000	\$6,500,000
 Market Conditions (Time)							
Months Since Sale	30	27	20	17	17	13	NA
Time Adjustment Factor (%)	25.00%	22.50%	16.67%	15.00%	14.17%	10.83%	NA
Time Adjusted Normal Sales Price / Sq. Ft.	38.02	113.77	50.82	126.22	86.22	44.94	106.26
Time Adjusted Normal Sales Price / Unit	29,948	12,504	30,834	79,542	70,949	66,498	94,203
Time Adjusted Normal Sales Price / F.A.R.	21.12	23.70	28.23	35.06	47.90	24.97	29.52
 Other Percentage Adjustments:							
Location	0.00%	-10.00%	0.00%	0.00%	0.00%	0.00%	-10.00%
Zoning	0.00%	-10.00%	0.00%	-10.00%	0.00%	0.00%	0.00%
Topography/Shape	-10.00%	0.00%	0.00%	-10.00%	-10.00%	-10.00%	-10.00%
Planned # of Units/Overall Size	-10.00%	100.00%	-20.00%	-25.00%	-25.00%	-25.00%	0.00%
 Total Adjustments	-20.00%	80.00%	-20.00%	-45.00%	-35.00%	-35.00%	-20.00%
Adjusted Sale Price / S.F.	30.41	204.79	40.66	69.42	56.04	29.21	85.01
Adjusted Sale Price / Unit	\$23,958	\$22,508	\$24,667	\$43,748	\$46,117	\$43,224	\$75,362
Adjusted Sale Price / Sq.Ft. of F.A.R.	16.90	42.66	22.59	19.28	31.14	16.23	23.61

11/10/89

Exhibit F

JAMES F

DA

Mardi

377 326

PROJECT Alamo Plaza

2/1

ITEM ALTERNATE 3 -

SHEET NO. 1 OF

DESCRIPTION	UNIT	L	M	LABOR	MATERIAL
<u>Earthwork</u>					
Topsoil & off-hack	73.00	cy		10 ²	< 730.00 >
<u>Shoring & Underpinning</u>					
Delate Underpinning of Project					
BLOG. (This may be required)					< 760.00 >
<u>Cinderwork</u>					
Substrate Pct. Brix, Hollowed Lime					
1 Pav. Door, Fridge Bell Face Frame	53.84			159 ²	< 8427 >
Court - 5.00' Morris Drawn St. 0.00	103			26 ²	< 2678 >
					< 11105 >
<u>Wood Doors</u>					
Change Entry & Interior Doors					
From Hollowed To Pct. 40 - 46.					< 61.00 >
<u>Wooden Doors</u>					
Change 2 ⁴ Hollowed Wooden Doors					
To 7'0" x 4'0" Doors - Master Bedroom				✓	
T. Painted M. Wood				(Painted?)	100 < 6200 >
<u>* Aluminum Sash/Door's</u>					
Arg. \$1000/lu	74.050	for bay window budget			
our. = 3000/lu +	166.800	quoted by Bloomberg			
	plus 10.116.400	w/ mod. header			
<u>Paint Finish</u>					
Delate Paint & Subs. rate					
1 coat Lumber Color Enamel	120.5	3y		32 ²	< 38560 >
				(NO PAINT)	
				(Smooth Paint)	+ 3380
<u>T. Lumber</u>					
1. Delate Ceramic T. L. Kitchen					
Counters & Subs. rate Plastic Laminate	53.44.			75 ²	< 39750 >
2. Delate Balance, Procs & Subs.					
Structural Decking	37.05	4F		9 ²	< 33300 >
<u>Hollowwood Flooring</u>					
Delate Hollowwood Flooring & Sub -					
5.00' Carpet	4886	4F		10 ²	< 48860 >

JAMES E. ROBERTS CO.
OAKLAND, CALIF.

PROJECT Alamo Plaza
ITEM ACRYLIC

SHEET NO. 2 OF 1

	DESCRIPTION	NUMBER	UNIT	L	M	LABOR	MATERIAL
	Cultured Marble Tops						
	DELETE CULTURED MARBLE VENEER						
	Tops & SUBSTITUTE Plastic Laminate						
	Top's	ROUTING	103	59	60"		<6100>
		Bridge					
	Countertop						
	DELETE 3202. & 4502 Count						
	Spec. & SUBSTITUTE 2602. etc. etc.						
	& 3802. C Public/Comm						
	Walls	1323	37		2"		12646
	Public/Comm	969			140		1357
							<1403>
	SBAL concrete !						
	more than normal plumbing						
	*12540 linear						
	ordinate # of fixtures						
	* 92000 SF						
	1 coat system					5gr. Spaced AD	
	2 coat stipple - Porkchop					"	
	Ceramic - Popcorn						
	DELETE Ref. - Blue Seal Package						
	2 units						
	DO not have FP						
	on 1st floor ?						
	DELETE Panels or FP						
	on Ref. \$10000 -						
	37000 vs 32000						
	Acrylic						
	enclosure						
	price point						

JAMES E. ROBERTS/ONBAYASHI CORPORATION
980 41st Street Oakland, CA 94608

Project :
Alamo Plaza
Location :
San Francisco, Ca

Architect :
Kurtzman Stein
Owner :
Sprinclin Development Partners IX

#	DESCRIPTION	TOTAL		
1	GENERAL CONDITIONS	228,000		
2	ENGINEERING	6,250		
3	EARTHWORK	181,218		
4	A C PAVING	7,274		
5	SOILS TESTING & INSPECTION	N.I.C.		
6	SITE UTILITIES	6,078		
7	TERMITE CONTROL	3,000		
8	SHORING & UNDERPINNING	128,320		
9	LANDSCAPE/IRRIGATION	30,000		
10	BUILDING CONCRETE	642,304		
11	SITE CONCRETE	40,547		
12	GYPCRETE	36,151		
13	MASONRY	127,992		
14	STRUCT STEEL/MISC IRON	212,900		
15	ROUGH CARPENTRY	1,453,920		
16	SCAFFOLD AND PLANK	46,000		
17	SITE CARPENTRY	10,000		
18	HILLWORK	36,800		
19	FINISH CARPENTRY	92,000		
20	CABINET WORK	124,325		
21	ROOFING	53,000		
22	ENTRY CANOPIES	15,000		
23	WATERPROOFING	27,900		
24	INSULATION	75,088		
25	FIRE STOPPING	10,600		
26	Sheet Metal	59,800		
27	SEISMIC JOINTS	46,000		
28	ROOF ACCESSORIES	5,000		
29	CAULKING	5,300		
30	HOLLOW METAL WORK	10,780		
31	WOOD DOORS	43,105		
32	WARDROBE DOORS	22,610		
33	ALUM SASH & DOORS	182,275		
34	ROLL-UP DOORS	2,000		
35	SECURITY DOORS	15,000		
36	FOLDING PARTITIONS	N.I.C.		
37	FINISH HARDWARE	34,450		
38	MAILBOXES	1,855		
39	DRYVIT FINISH	86,760		
40	DRYWALL	312,800		
41	TILEWORK	141,250		
42	HARDWOOD FLOORING	58,632		
43	PLASTIC LAMINATE TOPS	2,000		
44	CULTURED MARBLE TOPS	16,480		
45	Sheet Vinyl Flooring	19,400		
46	CARPETING	136,586		
47	PAINTING	115,000		
48	WALL COVERING	N.I.C.		
49	MIRRORS	5,574		
50	SHOWER DOORS	3,136		
51	BATH ACCESSORIES	14,170		
52	FIRE EXTINGUISHERS	2,250		
53	BUMPERS & STRIPING	1,033		
54	METAL FIREPLACES	28,750		
55	TOILET PARTITIONS	4,800		
56	BLDG NO'S & SIGNS	5,300		
57	ACOUSTICAL CEILINGS	N.I.C.		
58	CHAIN LINK FENCE	750		
59	METAL LOCKERS	1,949		
60	FOOD SERVICE EQUIPMENT	N.I.C.		
61	COMMERCIAL LAUNDRY EQUIP	N.I.C.		
62	APPLIANCES	106,000		
63	FLOOR MATS	1,290		
64	WINDOW TREATMENT	N.I.C.		
65	TRASH CHUTES	6,400		
66	ELEVATORS	100,000		
67	PLUMBING	664,600		
68	H V A C	138,441		
69	FIRE SPRINKLERS	220,360		
70	ELECTRICAL	436,544		

Permits & Fees	BY OWNER			
Street Permit	BY OWNER			
Sewer & Water Fees	BY OWNER			
PG&E Joint Trench & Fees	BY OWNER			
Builder's All Risk Insurance	BY OWNER			
City License or Tax	21,674			
SUBTOTAL	6,748,323			
Comp. Liability	x = 1.00	.67,483		
Fee	x = 6.00	408,948		
Bond (see Data Block)		N.I.C.		
TOTAL	7,224,754			

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ROBERTS CHAYASHAI 1ST ESTIMATE #7,224,754

DEDUCTS FROM VALUE ENGINEERING (353,058)

CURRENT CONTRACTORS ESTIMATE #6,871,696

9.07 Issuance of Certificate of Completion for Individual Condominium Units

With respect to each individual condominium unit on the Site, the Developer may convey each unit as the Improvements related thereto are completed, and the Agency will also, upon proper completion of the Improvements relating to any such condominium unit, subject to the provisions of Section 4.09 of this Agreement, certify to the Developer that such Improvements have been made in accordance with the provisions of this Agreement. Such certification shall mean and provide, and the Deed shall so state:

- (a) that any party purchasing such individual condominium unit pursuant to the authorization herein contained shall not (because of such purchase) incur any obligation with respect to the construction of the improvements relating to such condominium unit or to any other part, parcel, or condominium unit of the Site; and
- (b) that neither the Agency nor any party shall thereafter have or be entitled to exercise with respect to any such individual condominium unit so sold any rights or remedies or controls that it may otherwise have or be entitled to exercise with respect to the Site as a result of a default in or breach of any provisions of this Agreement or the Deed by the Developer or any successor in interest or assign, unless:
 - (1) Such default or breach be by the purchaser or any successor in interest to or assign of such individual condominium unit with respect to the covenants contained and referred to in Article 5, and Section 9.02 hereof, or Section 2 or 4 of the Deed; and
 - (2) the right, remedy, or control relates to such default or breach.
- (c) that any holder of a mortgage pertaining to such individual units shall not be bound by this Agreement, except with respect to the covenants contained and referred to in Article 5 or Section 9.02 hereof, or Sections 2 or 4 of the Deed.

9.08 Special Provisions: Profit Limitation/Sales Prices of Units

It is understood and agreed by and between the Agency and the Developer that the sales prices for the 54 market rate residential condominium units shall be bound by the special provisions of this Section 9.08.

The Developer shall pay to the Agency fifty percent (50%) of all profit realized by the Developer from the sale of such units in excess of twenty percent (20%) of Allowed Development Costs. Allowed Development Costs shall

mean all development costs approved by the Agency which are attributable to the development and allocated between the 54 residential units on the basis of unit floor area. Allowed Development Costs shall exclude, however, any costs chargeable or computed upon or for Developer's time, overhead, profit, or fees, except that Allowed Development Costs may include market rate real estate sales commissions for the sale of the 54 individual residential condominium units. Allowed Development Costs are more specifically defined in Exhibit "A" attached hereto and made a part of this Attachment No. 6. The provisions of this Section 9.08 shall be implemented as follows:

- (a) At least thirty (30) days before the proposed sale of each of the 54 market rate residential condominium unit(s) to which it applies, the Developer shall submit to the Agency a list showing the sales price of each such unit(s) and a list of all Allowed Development Costs allocable to such unit(s) which the Developer believes to be included within the foregoing definition of Allowed Development Costs, determined to date of submission, together with an estimate of remaining allocable development costs. This submission shall be in writing made under penalty of perjury.
- (b) The Agency shall review such list of costs and shall, within ten (10) days after receipt thereof, inform the Developer in writing which of the submitted costs are Allowed Development Costs. The Agency's determination of Allowed Development Costs shall be final and binding upon the Developer.
- (c) The Developer shall submit substantiating evidence satisfactory to the Agency upon its request of any development costs challenged by the Agency. Any costs not so substantiated to the satisfaction of the Agency shall not be considered Allowed Development Costs for purposes of this Section 9.08.
- (d) The Developer shall provide in the applicable escrow for the sale of each market rate residential condominium unit that fifty percent (50%) of the differences between the sales price of the unit or one hundred twenty percent (120%) of the Allowed Development Costs shall be paid to the Agency. Provision for such payment to the Agency shall be a condition precedent to the Agency's issuance of a Certificate of Completion for the unit.

EXHIBIT "A"

Allowed Development Cost

A. For the purpose of Section 9.08, "Allowed Development Costs" shall include:

1. The cost of all materials, supplies and equipment incorporated in the Development, including sales and use taxes thereon, if any, and rental and transportation charges for these items;
2. Sales, use or similar taxes imposed by any governmental authority in connection with construction;
3. Charges for building and other permits required for construction;
4. The cost of soils and other tests required in connection with the construction;
5. Premiums paid for required construction-related bonds and insurance;
6. Construction-related losses and expenses, not compensated by insurance or otherwise, sustained by Developer in connection with construction;
7. Payments to contractors, subcontractors, materialmen and suppliers for construction work and materials incorporated in, or related to, the construction, including landscaping;
8. Fees and expenses of any construction manager;
9. Professional fees and expenses of architectural, engineering and other similar consulting services employed in connection with design and construction (including, without limitation, the costs of preparing plans and specifications, surveyor's fees, and soils engineering fees) and all legal fees in connection with Developer's development of the Site;
10. Property taxes and assessments paid by the Developer during construction;
11. Cost of on-site and off-site utility installations, street improvements and other improvements required by governmental bodies, including without limitation, water, sewer, electrical and other utility hook-up charges paid by the Developer in connection with the development;
12. Costs of construction, progress and inspection fees, construction fund disbursement fees; appraisal fees and construction costs; analysis fees;
13. Zoning fees, area fees and such other fees required by requisite governmental agencies because of the construction;
14. Premium for preliminary title reports; title insurance policies and endorsements to such policies related to the condition of title of the site and individual condominiums;

15. All amounts required by law or otherwise to be paid by the Developer into the homeowners' association;
16. The cost of the land for the Development;
17. Points on construction and permanent financing and interest on construction financing;
18. Construction and permanent loan carrying costs;
19. Real estate commissions paid to licensed sales persons and licensed brokers; and
20. The costs for promotional advertising and accounting.

B. The following shall be excluded from the calculation of Development Costs:

1. Any charge, expense or allowance for the overhead and general and administrative expenses of the Developer;
2. Any salary, other compensation and benefits to the Developer or to any of the officers or employees with respect to any portion of the time spent by such Developer or officers or employees;
3. Any salary, other compensation and benefits to employees of the Developer who are not employed by the Developer in the supervision of, or performance of, construction of the Improvements;
4. Any fees or allowance to Developer for profit in connection with the construction of the Improvements; and
5. The costs and fees incurred for any letters of credit or other security instrument under the Agreement for Disposition of Land for Private Development by and between the Agency and the Developer of which this Exhibit "A" is a part.

SFH 37

Redevelopment

WA - Appraisal Alamo Plaza, 1990

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ACID FREE - RECORDING
1000-882-322
Housing Dept. 1990
100-1000-1000

